



Daily Report

East Asia

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Japan

U.S. Official Interviewed on Framework Talks

OW0701010894 Tokyo KYODO in English 0028 GMT
7 Jan 94

[By Antonio Kamiya]

[Text] Washington, Jan. 6 KYODO—A senior U.S. State Department official lashed out at Japanese trade negotiators Thursday [6 January], accusing them of being "quite rigid" in bilateral framework trade talks.

Undersecretary of State Joan Spero said Washington is disappointed with the progress in the four-month-old negotiations aimed at securing U.S. access to the automobile and other key market sectors in Japan.

Spero was particularly critical of Japanese resistance to U.S. proposals to use "quantitative indicators" as yardsticks to measure whether Japanese markets are as open to imports as other developed nations.

"I don't think this is something that is negotiable," Spero said in an interview with KYODO NEWS SERVICE and JIJI PRESS.

Spero, the top State Department official in charge of economic issues, gave the interview ahead of a trip to Japan on Friday for talks with Japanese officials on the framework negotiations.

Japanese and U.S. negotiators are committed to concluding the current phase of negotiations prior to a summit between Prime Minister Morihiro Hosokawa and President Bill Clinton on February 11.

"We don't want to settle for some cosmetic fix on February 11th. We want to have a real change in this relationship," she said. She laid the blame for an apparent stalemate in the talks on Japanese negotiators, who she described as tough, rigid bargainers.

"It seems that in all areas our Japanese interlocutors are being quite rigid," Spero told a news conference earlier in the day.

The current negotiations, based on the so-called "framework" trade accord concluded last July, focuses on four key Japanese market areas of particular interest to U.S. firms.

In addition to increased auto and auto parts sales in Japan, the U.S. wants the Japanese Government to buy more foreign telecommunications and medical equipment and to allow foreign firms unrestricted access to the Japanese insurance market.

While the Tokyo Government has promised to make it easier for foreign firms to do business in Japan as part of a commitment to reduce Japan's trade surplus, Japanese officials have balked at using numerical figures to assess progress.

"They don't want to talk about measurement even though we agreed very clearly in our written document that we will discuss these indicators," Spero said, referring to a provision in the framework agreement for the use of objective indicators.

Spero said Japanese negotiators are particularly negative in talks on Japan's automobile market.

"They are totally resisting any serious dialogue in automotive and auto parts issues," she said.

Spero accused what she described as her "Japanese colleagues" of misrepresenting U.S. intentions on the framework talks.

"One of the things that our Japanese colleagues have been saying to you in the press, and you have been saying in your articles, is 'the U.S. wants another series of (market share-setting) semiconductor agreements.' I think this is disinformation," she said.

Spero said the United States is not asking for one single indicator but multiple benchmarks to show that foreign firms enjoy the same level of penetration in Japanese markets as in other developed countries.

"By any standard, Japan is not as open as the other developed market economies," Spero said.

Agency on U.S. Forestry Tariffs Complaints

OW0701143394 Tokyo KYODO in English 1423 GMT
7 Jan 94

[Text] Tokyo, Jan. 7 KYODO—The Forestry Agency on Friday [7 January] rebuffed complaints by a group of U.S. senators concerning Japan's policy on forestry product tariffs, saying that Japan's agreement under the Uruguay Round of market access talks to cut tariffs on such products by an average 30 percent is in line with its previous agreement with Washington.

American media reports have said U.S. senators including Max Baucus sent letters to U.S. President Bill Clinton and Japanese Prime Minister Morihiro Hosokawa saying that Japan is infringing on a bilateral agreement to move toward a reciprocal total abolishment of tariffs on forestry products.

The agreement referred to was one reached in June 1990. The United States at the time requested that Japan cut tariffs by more than 33 percent on 51 selected items.

The senators are requesting that the issue be discussed when Hosokawa visits Clinton in February. But agency officials said the case is closed with the conclusion of the Uruguay Round.

DPRK Urged To Resume Stalled Negotiations

OW0701095394 Tokyo KYODO in English 0938 GMT
7 Jan 94

[Text] Tokyo, Jan. 7 KYODO—Japan has called on North Korea to hold talks to prepare for resuming stalled bilateral

negotiations aimed at establishing diplomatic relations, a Foreign Ministry spokesman said Friday [7 January].

Spokesman Terusuke Terada told a press conference that Japan has made the call to Pyongyang for a preparatory meeting. He declined to elaborate.

Later [as received] in the day, a top Foreign Ministry official said Japan has urged North Korea to hold preparatory negotiations to decide the timing and place for resuming talks on normalization of bilateral ties.

The official, who spoke on condition of anonymity, indicated that Japan may again make the call when a third round of high-level talks between North Korea and the United States is held, since Pyongyang is currently placing more importance on talks with Washington than on anything else.

So far, Japan and North Korea have held eight rounds of negotiations on normalizing ties. The eighth round was held in November 1992.

The negotiations stalled when North Korea walked out in protest at Japan's requests to confirm the safety of a Japanese woman Tokyo believes was abducted by North Korean agents.

The Japanese Government alleges the woman was forced to serve as a language teacher for Kim Hyon-hui, a North Korean agent responsible for the bombing of a Korean Air jetliner in 1987 that killed all the 115 people aboard it.

Hosokawa Voices Concern to Senators Over DPRK

OW0701112194 Tokyo KYODO in English 1105 GMT 7 Jan 94

[Text] Tokyo, Jan. 7 KYODO—Prime Minister Morihiro Hosokawa expressed concern Friday [7 January] about North Korea's suspected nuclear arms development and sought close contact with South Korea and the United States to remove the potential threat, a Foreign Ministry official said.

"Japan is deeply concerned about this issue," the official quoted Hosokawa as saying during a meeting with U.S. Senators Sam Nunn and Richard Lugar at his official residence. "But dialogue between the United States and North Korea seems to be going in a favorable direction, and we are closely watching its development," Hosokawa reportedly said.

Washington said Wednesday that Pyongyang has agreed to allow international inspections of all seven of its declared nuclear facilities. Hosokawa also spoke of the need for Tokyo's close contact with Seoul and Washington to get North Korea to erase international suspicions about a clandestine nuclear program, the official said in a briefing to reporters.

Nunn, who is chairman of the U.S. Senate Armed Services Committee, called Japan-U.S. security one of the most important issues in the world and said it must be further enhanced.

Hosokawa, echoing Nunn's view, reportedly vowed Tokyo's continued host nation support for U.S. forces in Japan, saying Japan wants to do everything it can in the field.

Earlier in the day, Nunn and Lugar met with Defense Agency Director General Kazuo Aichi.

Nunn and Lugar, a senior member of the U.S. Senate Foreign Relations Committee, arrived in Japan from Russia on Thursday for a three-day visit. They will leave for South Korea on Saturday.

Korean Rivals Participate in Tea Ceremony

OW0701103494 Tokyo KYODO in English 0953 GMT 7 Jan 94

[Text] Kyoto, Jan. 7 KYODO—Representatives of pro-Pyongyang and pro-Seoul Korean residents' organizations in Kyoto sipped tea together Friday [7 January] in a spirit of goodwill.

The reconciliation took place at the annual new year tea ceremony of the headquarters of the Urasenke School of Tea in Kyoto.

Kim Chae-ha, chairman of the Kyoto branch of the pro-Seoul Korean Residents Union of Japan (Mindan), and Kim Kwang-su, chairman of the Kyoto branch of the pro-Pyongyang General Association of Korean Residents in Japan, (Chongnyon), shared the same tea bowl to welcome the new year.

Urasenke tea master Soshitsu Sen prepared and served the two Kims the thick, green tea in a special bowl lined with gold on the inside. Both Kims relaxed and smiled after the ceremony, saying they participated in it in a spirit of "partnership."

War-Displaced Japanese Women Demand Residency

OW0701150194 Tokyo KYODO in English 1446 GMT 7 Jan 94

[Text] Narita, Jan. 7 KYODO—Five Japanese women left behind in China at the end of World War II returned to Japan on Friday [7 January] and demanded permanent residency.

The five, who were among thousands of Japanese left behind in northeastern China in the chaos at the end of the war, were accommodated at a government facility for war-displaced Japanese in Tokorozawa, Saitama Prefecture, following their arrival at Narita Airport.

The five women from Heilongjiang Province in northeastern China have nobody to sponsor them in Japan and came to Japan at their own expense, Health and Welfare Ministry officials said.

The new arrivals, aged between 59 and 78, brought the total number of war-displaced Japanese women who have sought residency since September to 39.

A group of 12 Japanese women came to Japan on September 5, followed by a team of 17 women on November 26 and another group of five women on December 6.

The Japanese Government said last month it will accept some 1,000 Japanese women left behind in China at the end of World War II if they express a wish to return to Japan.

Health and Welfare Ministry figures show there were 1,759 war-displaced Japanese women in China as of the end of March last year, of whom some 1,000 are believed to want to return to Japan permanently.

Hata on Increasing Humanitarian Activities

OW0701042994 Tokyo KYODO in English 0320 GMT 7 Jan 94

[Text] Tokyo, Jan. 7 KYODO—Japan plans to step up international humanitarian relief activities based on its U.N. peacekeeping cooperation law to cooperate in solving problems of refugees in areas of conflict, Foreign Minister Tsutomu Hata indicated Friday [7 January].

Hata told Sadako Ogata, United Nations high commissioner for refugees, that he wants to "positively consider" carrying out the activities based on the law, Foreign Ministry officials said.

He made the remarks in response to Ogata's call for Japan to utilize the law in the humanitarian field to solve problems concerning refugees, the officials said.

Neither Hata nor Ogata specified the regions that might receive such Japanese assistance, they said.

Tokyo is likely to study possible humanitarian assistance for the former Yugoslavia, such as in the medical field and in rescuing and repatriating refugees, after a government fact-finding team returns from the region.

The mission, which is to leave Japan later in the day, is to visit areas such as Zagreb, Skopje, Sarajevo and Belgrade.

The members are scheduled to meet Yasushi Akashi, head of the U.N. peacekeeping mission in the former Yugoslavia, as well as other U.N. officials and government officials.

Fact-Finding Mission Departs for Ex-Yugoslavia

OW0701061494 Tokyo KYODO in English 0530 GMT 7 Jan 94

[Text] Tokyo, Jan. 7 KYODO—A Japanese fact-finding mission left for the former Yugoslavia on Friday [7 January] to study possible Japanese contributions there, Foreign Ministry officials said.

The eight-member mission will visit places such as the Croatian capital of Zagreb, the besieged Bosnian capital of

Sarajevo, the Serbian capital of Belgrade and Skopje in Macedonia before returning to Japan on January 17, the officials said.

The members will meet Yasushi Akashi, head of U.N. peacekeeping operations in the former Yugoslavia, U.N. High Commissioner for Refugees Sadako Ogata, as well as other U.N. officials and government officials of Croatia, Macedonia and Slovenia, they said.

The Japanese team is headed by Shunji Yanai, director general of the ministry's Foreign Policy Bureau, who played a key role in realizing Japan's legislation on cooperation in U.N. peacekeeping missions which enabled the Self-Defense Forces (SDF) to join U.N. operations in Cambodia in 1992.

Foreign Ministry officials have described the aim of the mission as simply to "grasp the local conditions" to study possible Japanese contributions, brushing aside speculation that the mission might pave the way for sending SDF there.

Akashi has repeatedly called for Japanese contribution to U.N. peacekeeping forces in the former Yugoslavia.

Japanese officials have cited difficulties in sending SDF troops there because of the absence of a cease-fire agreement, unlike that in Cambodia. Japan is expected to send an assistant to support Akashi.

Aichi Sees No Need for Military Strength Cut

OW0701064794 Tokyo KYODO in English 0607 GMT 7 Jan 94

[Text] Tokyo, Jan. 7 KYODO—Japan need not drastically reduce its military strength owing to any changed circumstances on the world scene, Defense Agency Director General Kazuo Aichi said Friday [7 January].

Officials said Aichi made the remarks in talks with U.S. Senators Sam Nunn and Richard Lugar, who arrived Thursday for a three-day visit.

Queried by Nunn on an upcoming review of Japan's national defense program, Aichi was quoted as saying, "just because the situation has changed, that does not mean (Japan's military strength) should be drastically altered."

He said the strength of Japan's military is not intended to correspond to any particular external threat.

Officials said Nunn, who is chairman of the Senate Armed Services Committee, urged active Japanese commitment to United Nations peacekeeping activities to help offset U.S. costs.

Nunn called peacekeeping an important aspect of U.S.-Japan cooperation, they said.

Officials said Nunn also urged that Tokyo's host nation support for U.S. Forces in Japan be more "flexibly" spent on such things as repair of facilities.

Defense Facilities Administration Agency Head Ichiro Yoneyama replied that funds can be allocated under the existing framework for such large-scale projects as repairs to runways.

Nunn and Lugar, who is a senior member of the Senate Foreign Relations Committee, will leave Tokyo on Saturday for South Korea.

LDP To Submit Censure Motions Against Hatas

OW0701005894 Tokyo KYODO in English 0030 GMT 7 Jan 94

[Text] Tokyo, Jan. 7 KYODO—The Liberal Democratic Party [LDP] will submit censure motions in the House of Councillors against Foreign Minister Tsutomu Hata and Agriculture, Forestry and Fisheries Minister Eijiro Hata over Japan's decision to partially open its rice market, senior party officials said Thursday [6 January].

The LDP decided Friday morning to submit the motions Friday evening, party officials said.

The party decided to exclude Prime Minister Morihiro Hosokawa from the motions, saying including him would have a "serious affect," the officials said.

The party officials said they decided to submit the censure motions because the two ministers violated Diet resolutions calling for a ban on foreign rice imports.

The two ministers gave deceptive answers to the Diet and failed to exert enough diplomatic effort, they said.

The government decided in December to end its decades-long ban on rice imports as part of the Uruguay Round of multilateral trade talks and agreed to give foreign growers minimum access to Japan's rice market, importing 4 to 8 percent of its annual rice consumption over a six-year moratorium, starting in fiscal 1995.

Chief Cabinet Secretary Masayoshi Takemura told a news conference the two Hatas fulfilled their duties as ministers in charge of the Uruguay Round and therefore need not take the blame.

"Under the leadership of the prime minister, the government dealt with the issue, and both of the ministers also devoted all their energy to tackling the years-old formidable task," the top government spokesman said.

"In this regard, I see no reason for them to be censured," he noted.

Sakigake Opens Membership to Foreigners

OW0701124394 Tokyo KYODO in English 1129 GMT 7 Jan 94

[Text] Matsue, Jan. 7 KYODO—Sakigake, one of the seven parties in the ruling coalition, on Friday [7 January] became the first political party in Japan to open its membership to foreigners.

Atsushi Nishikoori, a Sakigake (Harbinger) member of the House of Representatives, told a press conference that the

party's Shimane branch opened its membership to foreigners the same day. Other branches will follow the Shimane branch, he said.

Sakigake was founded last June by 10 disaffected members of the Liberal Democratic Party. Sakigake leader Masayoshi Takemura joined the coalition government of Prime Minister Morihiro Hosokawa as the chief cabinet secretary last August.

It currently has 14 members in the 511-seat House of Representatives.

Nishikoori said at least 14 foreign residents in Shimane Prefecture, on the Sea of Japan side of western Honshu Island, have expressed interest in joining the party. It will accept foreigners who have lived in the prefecture for more than five years or who have a Japanese spouse and have lived in the prefecture for more than two years, if nominated by more than two party members.

Nishikoori said opening the party to members of all nationalities is an "appropriate" way to create a new party suited to the demands of the world community. "Based on the principle of equality, we will remove the obstacles one by one," he said.

Japan's two largest political parties, the LDP and the Social Democratic Party, stipulate that their members must be Japanese nationals.

A senior member of Zainichito, a group of Korean residents seeking the right to vote, said the Sakigake decision is "wonderful."

Yi Chin-mi said "They're probably just aiming to expand the number of party members, but we should use this as an opportunity to work for getting the vote, given that it isn't even known that foreigners in Japan don't have the right to vote."

Mori: LDP To Aid With Political Reform Bills

OW0701114194 Tokyo KYODO in English 1121 GMT 7 Jan 94

[Text] Naha, Jan. 7 KYODO—The opposition Liberal Democratic Party (LDP) will help enact political reform bills during the current extraordinary Diet session which is to close on January 29, LDP Secretary General Yoshiro Mori said Friday [7 January].

Mori, speaking at a lecture session in Naha, Okinawa Prefecture, said, "The party wants to finalize deliberations in the current Diet session after the government-proposed bills are revised to bring them nearer to the LDP-proposed ones."

He said the LDP will start compiling its own compromise plan on the bills early next week.

He cited three major modifications to be made to the government bills—changes to the ratio of House of Representatives seats to be determined by direct and proportional election, to the controls on political funding of

individual politicians, and to the electoral district basis for the proportional representation.

The government and the ruling coalition parties have sought 274 single-seat districts and 226 seats chosen by proportional representation.

The LDP wanted a combination of 300 single-seat constituencies and 171 proportional representation. It also favored seats votes in the proportional representation counted on a prefectural basis.

Both the LDP-sponsored political reform bills were voted down in the House of Representatives in November.

The ruling coalition has vowed to complete debate on political reform in the House of Councillors special committee by January 14 even if the LDP boycotts the session.

The government reform package cleared the lower house in mid-November but deliberations in the upper house stalled for over a month through late December due partly to the LDP's refusal to attend reform panel sessions.

SDPJ Official on Revision of Reform Laws

*OW0701085494 Tokyo KYODO in English 0757 GMT
7 Jan 94*

[Text] Tokyo, Jan. 7 KYODO—The government may have to promise the opposition to revise its package of political reform bills after they become law if it wants to get them passed by the Diet, a senior official of the Social Democratic Party (SDP) said Friday [7 January].

"We may have to consider first pushing reform bills through in the current Diet session and then modifying the laws in the next session," said the official of the largest party in the coalition government, speaking on condition of anonymity.

He said the coalition has to "make a political promise" to the opposition on future amendments of the laws in return for securing passage of the bills in the current Diet sitting, which ends January 29.

The political reform measures won approval of the House of Representatives in mid-November and are pending in the House of Councillors.

Prime Minister Morihiro Hosokawa has vowed to get the bills passed in the current extraordinary Diet term, but the main opposition Liberal Democratic Party is trying to prevent their passage.

The proposed reform legislation is intended to introduce a new system for lower house elections and tighten controls on campaign funding.

LDP's Mori Urges Income Tax Reduction

*OW0701101394 Tokyo KYODO in English 0945 GMT
7 Jan 94*

[Text] Naha, Jan. 7 KYODO—Yoshiro Mori, secretary general of the opposition Liberal Democratic Party, on

Friday [7 January] called for a massive income tax reduction and criticized the government for delaying implementation of such a cut.

He did not refer to the precise scale of the proposed cut.

Mori told reporters that raising the consumption tax to make up for a shortfall of government revenues would have a "negative impact" on the economy's recuperation.

Mori said the issue of whether or not to raise the consumption tax from the present 3 percent could even lead to the destruction of the coalition government. The Social Democratic Party, the largest of ruling coalition parties, is against a consumption tax hike.

He also said a drastic easing or even a temporary freezing of land taxes and a zero interest rate on housing loans should be scrutinized as ways of stimulating slumbering business.

New Stimulus Package Features More Public Works

*OW0701030594 Tokyo KYODO in English 0240 GMT
7 Jan 94*

[Text] Tokyo, Jan. 7 KYODO—A new economic stimulus package under consideration will focus on an increase in public works spending, a government source said Friday [7 January].

The source said the ruling parties in Prime Minister Morihiro Hosokawa's coalition government intend to hammer out the new package by January 20. The source did not elaborate.

Hosokawa promised last December to unveil in mid-January a package of new measures to boost Japan's economy, now in its worst downturn in two decades.

Tax on Insurers' Pension Fund Fees Sought

*OW0701124194 Tokyo KYODO in English 1212 GMT
7 Jan 94*

[Text] Tokyo, Jan. 7 KYODO—The Home Affairs Ministry is seeking to end the tax holiday that life insurance companies enjoy on fees they charge for managing private pension funds, ministry officials said Friday [7 January].

The proposal to tax such fees will be studied under fiscal 1994 tax reform plan, but the officials say opposition is expected from the Finance Ministry and the Health and Welfare Ministry on the grounds that life insurance companies are facing a severe management environment.

The employees' pension fund system was created in 1967 and the government exempted from taxation the fees charged by the insurance companies for managing the funds. Home Affairs Ministry officials said the special treatment puts the national pension fund system at a disadvantage.

In addition, no tax exemption is allowed if the pension fund management is entrusted to trust banks, they said.

The ministry calculates there will be an increase of tax revenues of some 1 billion yen annually if the special tax holiday is abolished.

Reports of Securities Tax Abolition Denied

*OW0701121794 Tokyo KYODO in English 1102 GMT
7 Jan 94*

[Text] Tokyo, Jan. 7 KYODO—The Ministry of Finance on Friday [7 January] denied news reports that the ministry will study the possibility of abolishing the securities transaction tax as part of measures to get the economy out of the current recession. An official at the ministry's budget bureau said the ministry "has no such plans whatsoever."

The government is expected to come up with a fresh package of pump-priming steps later this month.

The NIHON KEIZAI SHIMBUN, a major economic daily, reported in its Friday evening edition that the ruling coalition parties will consider removing the securities transaction tax. The newspaper's report pushed Tokyo stock prices sharply higher, with the Nikkei stock average of 225 selected issues ending 242.02 points higher at 18,124.01.

The official, speaking on condition of anonymity, said the Finance Ministry will "act in line with recommendations made by the government's tax commission last November."

The advisory body suggested that the government should maintain the securities transaction tax "at least for the time being." There is no change in the ministry's policy of reviewing the tax and the capital gains tax "in the future" as suggested by the commission, said the official.

Postal Ministry To Cut Savings Rates

*OW0701103194 Tokyo KYODO in English 0948 GMT
7 Jan 94*

[Text] Tokyo, Jan. 7 KYODO—The Posts and Telecommunications Ministry announced Friday [7 January] that it will lower interest rates on some fixed-amount savings and time savings by 0.05 percentage point, effective Monday.

The rate on fixed-amount savings of less than six months will be kept unchanged at 1.22 percent per year while those on savings accounts of three years or more will be cut from the present 2.05 percent to 2.00 percent, ministry officials said.

The rate on time savings with a deposit period of three years will be reduced from 2.10 percent to 2.05 percent.

Researchers Complete Study on Labor Practices

*OW0701104494 Tokyo KYODO in English 0813 GMT
7 Jan 94*

[Text] Tokyo, Jan. 7 KYODO—"Karoshi" or death from overwork is closely related to Japanese labor practices

which are characterized by conspicuously longer working hours than in other industrial countries, government researchers reported Friday [7 January]. This was the conclusion of a study on the causes of "karoshi" carried out by the Economic Research Institute of the Economic Planning Agency (EPA). The report is expected to appear shortly in the agency's publication, *THE ANALYSIS OF ECONOMY*.

According to the study, Japanese workers' average annual working hours came to 2,124 hours in 1990, about 200 hours longer than those in the United States and Britain, and 400 to 500 hours longer than workers in France and Germany.

Moreover, Japanese workers are believed to work an average 1.5 hours daily of so-called "service overtime" or unrecorded and consequently unpaid overtime work. Most of the people whose deaths are suspected to be caused by fatigue from overwork had worked more than 3,000 hours a year, including overtime.

As of fiscal 1992, one in six Japanese male workers was reported to be working more than 3,100 hours a year, and 46 percent of workers in a survey answered they are afraid that they could die from overwork, the researchers said.

Meanwhile, they said, the quality of work has become increasingly demanding and stressful due to new technologies being introduced in rapid succession.

"Long, intensive work is a main factor causing an increasing incidence of health-disorder complaints at Japan's workplaces...and the most drastic case is karoshi," the report says.

The researchers said people's sense of values, combined with the long-standing labor practices in Japan, tends to aggravate overwork. Individuals and corporations need to change their attitudes toward work in order to prevent overwork, they said.

They suggest the government should extend workers' accident compensation insurance to cover karoshi cases and introduce a new premium calculation method for the insurance based on the working hours at each workplace.

Higher premiums that employers would have to pay to the government for longer working hours would eventually persuade them to take some preventive measures to curb overwork, they said.

The phenomenon of karoshi was reported as early as in 1960 when the nation's economy was expanding rapidly, and karoshi was recognized widely as a serious problem in the mid-1970s.

Karoshi is defined as death due to accumulated fatigue from overwork but it is not a recognized medical term and there are no official statistics on it. Its most common manifestation is in the form of sudden death from stroke or heart failure.

The researchers, however, said a group of lawyers has recorded 1,416 cases of inquiries in four years from June

1988 from people looking for compensation for the deaths of their relatives from suspected overwork.

According to the researchers, most people would feel tired on the day following one when they worked more than 10 hours, and complaints of fatigue would sharply increase if they worked overtime of more than 40 hours a month.

North Korea

Radio Denounces Kim Yong-sam News Conference

SK0701124994 *Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 7 Jan 94*

[Commentary by station commentator Chong Pong-kil: "Direction of the Operation of So-Called State Affairs by a Political Impostor"]

[Text] According to South Korean broadcast reports on 6 January, puppet traitor Kim Yong-sam held a so-called New Year news conference and babbled about the direction of the operation of so-called state affairs for the new year. However, this is mere gibberish that contains nothing new and is completely worthless.

Therefore, commenting on the New Year news conference by Kim Yong-sam, the Democratic Party, a South Korean opposition party, said: Even while saying that he would pursue internationalization and opening up, he failed to elaborate on concrete measures and lapsed into rosy optimism. This is very worrisome. He merely repeated the policies he had announced before the conclusion of the Uruguay Round negotiations.

During the news conference, traitor Kim Yong-sam said that he would continuously pursue change and reform and paid lip service to politics serving the convenience of people and clean politics. This is merely artifice to cheat the South Korean people and constitutes an intolerable mockery of people who demand new politics and new systems.

Even during the election campaign for the puppet presidency, traitor Kim Yong-sam loudly babbled about clean politics and politics where no money is necessary. However, nothing has changed in South Korea.

The reforms that the Kim Yong-sam ring have made were antipopular reforms which strengthened the puppet traitor's one-man dictatorship, deteriorated the economic crisis, and worsened people's livelihood. What the reforms gave South Korean people were bloody suppression using guns and bayonets and chronic hardships of life.

The Kim Yong-sam ring, under the cloak of reform, exercised emergency arbitration power which the previous military dictators did not dare to invoke and brutally suppressed workers' labor disputes who called for the rights to existence. Worse still, they viciously cracked down on the righteous struggles of the South Korean people and students for independence, democracy, and reunification.

The rascals, ignoring the people's demand calling for abolition of the fascist-like National Security Law and suppressive agencies, including the Agency for National Security Planning, have not reformed them and, worse still, have stepped up fascist suppression by wielding them.

Again this time, traitor Kim Yong-sam vociferated that he would reorganize the law and systems. However this is nothing but a trick to further step up the fascist suppressive rule over the South Korean people. Traitor Kim Yong-sam's prattling about sharpening the international competitive edge by pressing ahead with the five-year plan for the new economy is also a shameless imposture. Due to the five-year plan for the new economy, the economy is in tatters as exports remain sluggish, the production rate continues to drop, and foreign debts increase, backfiring firms to go bankrupt. To make matters worse, farmers and agriculture lost ground and the catastrophic crisis in the South Korean economy has been deepened overall due to the Kim Yong-sam ring's rice market opening.

Traitor Kim Yong-sam admitted that our economy is suffering from hardening of the arteries in various places. At such a time, how can the advertisement on enhancing international competitiveness and so on get through to anyone?

What cannot be overlooked is that puppet traitor Kim Yong-sam came out with our nonexistent nuclear issue again this time. Speaking of our nuclear issue prattled about by traitor Kim Yong-sam, this is a byproduct of the antisocialist and anti-Republic maneuvers persistently pursued by the United States. It is the United States that came out with the suspicion of our nuclear development and which threatens us by actually bringing nuclear weapons onto the Korean peninsula.

Therefore, the nuclear issue in our country is an issue that must be resolved through DPRK-U.S. talks, not an issue into which the South Korean puppets should poke their noses.

As is known, in recent contacts, by displaying the spirit of mutual understanding and cooperation, the DPRK and the United States provided prospects for removing a series of obstacles in the way of DPRK-U.S. talks and fundamentally resolving the nuclear issue on the Korean peninsula. Not only all the fellow countrymen but also the world welcome this. However, traitor Kim Yong-sam presumptuously babbled about the nuclear issue of the North and provoked us. This is what only the vicious betrayer who does not care about the destiny of the country and the nation can do.

Envious of the fact that opportunities had been provided for making progress in the DPRK-U.S. talks and that prospects had been provided for fundamentally resolving the nuclear issue, the puppet traitor made those absurd remarks in an insidious attempt to put a brake on this development at all costs and harm and crush [apsal] his fellow countrymen in collusion with international reactionaries.

Babbling about the so-called provocation, traitor Kim Yong-sam also said that he would see to modernize the puppet armed forces and that it would be good for him not to comment on the Team Spirit joint military exercise because it was a sensitive issue. He made these remarks with the same intent.

Facts show that traitor Kim Yong-sam has no will to realize reunification and intends to continuously pursue North-South confrontation this year. It is also proven that the civilian regime is so in appearance only and, in reality, is no different from any other preceding dictatorial regime.

One has no reason to watch the Kim Yong-sam puppet regime or expect something from it. Traitor Kim Yong-sam must know what consequences his traitorous remarks and deeds harming his fellow countrymen will bring and act with discretion.

Kim Yong-sam Denounced for Suppression of Labor

*SK0701045294 Pyongyang KCNA in English 0444
GMT 7 Jan 94*

[Text] Pyongyang, January 7 (KCNA)—The Kim Yong-sam fascist clique recently threatened that the "labour-management disputes" will be "dealt with toughly by law" and "emergency arbitration power" will be invoked against workers' strikes even though they are legal.

Commenting on this, NODONG SINMUN today says the labour movement in South Korea can by no means be a target of fascist suppression.

Noting that the workers' strikes to push their demands including wage hike are the exercise of their elementary rights for existence, the analyst continues:

When he was active in an opposition party, Kim Yong-sam stood by the side of the workers, joining them in strikes at their request. After climbing to power, however, he executed a swift volte-face and began brandishing the sword at the workers. How can such a person be called a human being?

Not much penetration is needed to see why the Kim Yong-sam fascist clique is threatening the workers with "tough counteraction" and "emergency arbitration power" from the beginning of the year.

It is foreseen that the workers' struggle against the puppet regime's flunkeyist and treacherous economic policy and anti-popular labour policy will grow fiercer in South Korea this year. Upset by this, the fascist clique schemes to check their struggle by threatening them at the point of the bayonet from the beginning of the year.

Bayonet-brandishing, however, is not almighty.

A MINJU CHOSON analyst says the more desperate the Kim Yong-sam fascist clique get in suppressing the people with bayonets, the faster it will precipitate the doom of the "civilian" regime.

'Kim Yong-sam Group of Traitors' Criticized

*SK0701104294 Pyongyang KCNA in English 1018
GMT 7 Jan 93*

[**"Traitors Seeking Confrontation, Not National Unity"**—KCNA headline]

[Text] Pyongyang, January 7 (KCNA)—The Kim Yong-sam group of traitors seeking confrontation and war against the desire of the nation for reunification will never get off scotfree, warns NODONG SINMUN in an article today.

Recalling that the Kim Yong-sam puppet clique last year viciously incited confrontation between the North and the South and tried to provoke a war, availing itself of the anti-socialist moves of the international reactionaries to stifle the DPRK, the author of the article says:

Upon the publication of the 10-point programme of the great unity of the whole nation, we sent letters calling for reunification in the 1990s through concerted efforts of the nation to the authorities, representatives of the political parties and organisations and personages of all strata of South Korea. The South Korean puppets, however, did not convey the letters to the addressees, totally froze North-South dialogues which had continued during the preceding military dictatorship and barred a North-South reunification soccer game and a reunification concert.

The Kim Yong-sam group not only persistently opposed our sincere offers for promoting national harmony and unity but also resumed, in league with outside forces, the "Team Spirit" nuclear war exercises which had been suspended toward the end of the rule of the "sixth republic". After the "Team Spirit" nuclear war exercises, it staged war manoeuvres such as "Ssangyong", "Ulchi", "Ulchi Focus Lens", "Foal Eagle" and "Hwarang" in succession.

The traitor Kim Yong-sam in combat uniform of the puppet Army frequented frontline units and fields of military drill near the Military Demarcation Line, inciting confrontation and war. Worse still, he flew to the United States and entreated his masters to "exercise a powerful influence" and establish "an international cooperation system," crying over "suspicion of nuclear development" by the DPRK.

The whole nation clearly sees that with the traitor Kim Yong-sam left alone, harmony and unity between the North and the South cannot be achieved nor can peace and peaceful reunification of the country be realised but confrontation and war between the fellow countrymen will be inevitable.

The South Korean puppet clique will face a stern judgement by history and the people.

'Outbursts' of ROK Defense Officials Denounced

*SK0601125194 Pyongyang Korean Central
Broadcasting Network in Korean 1150 GMT 5 Jan 94*

[Commentary by station commentator Chong Pong-kil:
"Belligerent Outbursts by Warmongers"]

[Text] From the beginning of the year, the South Korean warmongers have been running amok in instigating war fever which is making the situation in our country extremely tense.

According to broadcast reports from Seoul, the joint chiefs of staff of the puppet defense ministry and the army, navy, and air force held a so-called ceremony marking the start of the work for the year on 3 January. Puppet defense minister Yi Pyong-tae, in the ceremony, raved that the army on the ground, the navy on the sea, and the air force in the sky should maintain a strong combat posture in the new year.

The chairman of the puppet joint chiefs of staff vociferated that the military posture should be rounded off to counter the North's threat of war and a posture of prompt counteraction should be established. He, prattling on about the relations of military cooperation between the United States and South Korea, enumerated the effective management of the U.S. Forces' rapid deployment deterrent force and the development of the U.S.-South Korean joint defense posture. In the ceremony, the puppet army chief of staff, chief of naval operations, and air force chief of staff also bellowed bellicose outbursts.

Such belligerent power-reeking outbursts by the heads of the puppet military circles from the beginning of the year blatantly reveal their scheme of armed confrontation with us and they are an intolerable grave challenge to the fellow countrymen who aspire to peace and reunification of the country.

As it is well known, the great leader Comrade Kim Il-song, stressing in his New Year address that the fatherland's reunification is the supreme task of our people which must not be delayed, again clarified that our party and the government of our Republic will make every effort to reunify the country in the form of confederation which is based on one nation, one state, two systems and two governments; on the three principles of independence, peaceful reunification, and great national unity.

All the compatriots in the North, South, and overseas, on hearing the New Year address, fervently support and welcome the principled stance regarding the fatherland's reunification clarified by the respected and beloved Comrade Kim Il-song and turn out in a struggle to implement it, saying that it is a programmatic guideline that breaks a deadlock lying in the way of the reunification and peacefully expedites the cause of the country's reunification by means of the nation's independent strength.

The South Korean warmongers clique, however, gathered in one place, hatched the war conspiracy and enumerated provocative outbursts. These facts clearly prove that the

South Korean puppets are anti-dialogue, anti-reunification elements who have no will to work for peace and reunification.

What cannot be overlooked is the fact that the South Korean puppets are prattling on about military cooperation with outside forces instead of exerting their efforts to end the country's division in order to achieve national reconciliation and unity. In fact, the rascals are attempting to keep the U.S. Forces in South Korea forever and collude with them to provoke war aimed at northward invasion against their fellow countrymen.

Last year, the South Korean puppets—ignoring the 10-point program of the great unity of the whole nation which is acceptable to anyone who wants the country's reunification and our proposal for peace to exchange special envoys aimed at discussing and resolving the pending issues between the North and South—have staged a large scale war exercises almost every day, including the Team Spirit war exercise—a test nuclear war and a preliminary war, with the United States and have resorted to anti-Republic intrigues, vociferating about military countermeasure.

Puppet traitor Kim Yong-sam, wandering about in units on the front line dressed in a puppet army uniform, did not hesitate to commit acts of stirring up war fever. Successive belligerent outbursts, such as calling for a posture of prompt counteraction, enumerated by the South Korean warmongers clique from the beginning of the year are done in the projected line of such anti-Republic intrigues.

The Kim Yong-sam puppet clique's insidious acts of deliberately straining the situation and continuously taking the road of northward provocation, challenging all compatriots who unanimously aspire to peace and reunification of the country, will never be tolerated. If the rascals continue to go on the road of war aimed at northward invasion in the new year, they will not be safe. We will control the fire with fire and give a strict punishment to the provokers.

The South Korean puppets must stop behaving rashly, clearly realizing that their acts of pushing the situation on the Korean peninsula to an acute phase of confrontation will only result in their own self-destruction. They should better take the road of great national unity and reunification in conformity with the aspiration and demand of compatriots.

Hanminjon Calls for End of National Division

*SK0701052594 Pyongyang KCNA in English 0501
GMT 7 Jan 94*

[Text] Pyongyang, January 7 (KCNA)—"70 million fellow countrymen should put an end to the tragedy of national division with the great unity of the whole nation," said Cho Il-min, chief of the Pyongyang mission of the South Korean National Democratic Front (Hanminjon), at a press conference at his mission Thursday.

He said that vanguard fighters of Hanminjon and people of different strata in the Southern part of the country were

renewing their unshakable will to achieve the cause of national reunification with the motive force of the nation in hearty response to the reunification programme reclarified by the great leader President Kim Il-song in his New Year address.

The Kim Yong-sam regime, he said, declared from the beginning that it would improve South-North relations, placing the nation above anything else, but has actually committed such anti-national acts as further aggravating the North-South confrontation, turning away the North's broadminded proposals such as exchange of presidential envoys and the nation's desire for reunification and persistently resorting to the policy of dependence on outside forces.

Hanminjon held an enlarged meeting of the Standing Committee of its Central Committee in Seoul on January 2 and solemnly vowed to overthrow the Kim Yong-sam regime, declaring its resolute break with the regime, together with the people in the South aspiring after independence, democracy and reunification, Cho Il-min noted, and stated:

The time has gone to watch the "civilian" regime or to expect something from it.

It is the general review and will of our people in the South that the Kim Yong-sam "regime" should no longer be left intact.

Hanminjon and patriotic people of different strata in the South will defend the banner of national independence till they have achieved independence, democracy and reunification.

U.S.-ROK 4-5 Jan Military Activity Reported

SK0701053494 Pyongyang KCNA in English 0439 GMT 7 Jan 94

[Text] Pyongyang, January 7 (KCNA)—The U.S. imperialists and the South Korean puppets are engaged in frantic joint air war exercises against the North from the beginning of the year, rendering the situation on the Korean peninsula strained, according to military sources.

On the fifth of January, formations of nuclear-capable F-16 fighter-bombers, pursuit-assault planes and VTOL [vertical takeoff and landing] assault planes based in Japan and flying corps of the U.S. Airforce present in South Korea and the puppet airforce staged bombing exercises aimed at striking the strategic depths of the northern half of Korea in the skies above Yongwol, Wonju and Tokjok Islet under the command of an E-3 early warning plane.

More 360 war planes of various types were flown in the manoeuvres.

That day, KC-135 tankers refuelled scores of fighter-bombers in the aerial war exercises in the sky above the sea off Kunsan.

On January 4 and 5, RV-1, RC-12, RF-4C, EH-60, and other types of spy planes committed an all-round aerial

espionage on the coastal and frontline areas of the northern half of Korea in the skies above Tokjok Islet, Pochon, Inje and Kojin.

Meanwhile, the South Korean puppets, instigated by the U.S. imperialists, staged war exercises against the North near the Demilitarized Zone of the Military Demarcation Line [MDL].

On January 4 and 5, ground units of the South Korean puppet army fired large-calibre machine guns and automatic rifles in night attack exercises aimed at a breakthrough on the MDL in Inje, Paju, Chorwon and Yonchon Counties and large-calibre artillery units fired 50 odd shells into areas near the Demilitarized Zone and formations of helicopter gunboats and helicopter transports staged exercises of support to ground attack units and air-lifting of war supplies.

The U.S. imperialists and the South Korean puppets must act with discretion, clearly mindful of the possible consequences of their war manoeuvres against the northern half of Korea.

Ambassador to Russia Comments on Nuclear Issue

SK0701151794 Pyongyang Korean Central Television Network in Korean 1140 GMT 7 Jan 94

[Text] A meeting took place at the DPRK Embassy to Russia on 5 January to explain the great leader Comrade Kim Il-song's New Year address for this year. Senior officials and reporters of Russian newspapers and broadcasting stations were invited to the meeting.

Ambassador Son Song-pil spoke at the meeting. He said that during the New Year address, the great leader Comrade Kim Il-song summed up the brilliant achievements which the Korean people brought about in economic construction last year under the party's wise leadership and presented tasks for our party and people for the new year.

He pointed out that during the New Year address, the respected and beloved leader had given a programmatic teaching on the fatherland's reunification and declared that our nuclear issue which the U.S. imperialists and their running dogs are babbling about must be resolved only through DPRK-U.S. talks because it was raised when the United States brought nuclear weapons into South Korea.

He also stressed that the respected and beloved leader had said that pressure or threats will not resolve the nuclear issue, that pressure, threats, or so-called sanctions will not work on us, and that the United States must clearly see the reality and act with discretion.

The participants in the meeting congratulated the Korean people for their great achievements in socialist construction last year and wholeheartedly supported the great leader Comrade Kim Il-song's plan for the fatherland's reunification.

Foreign Groups Report Japanese 'Past Crimes'

*SK0601231094 Pyongyang KCNA in English 1514
GMT 6 Jan 94*

[Text] Pyongyang, January 6 (KCNA)—World people and broad public circles have exposed the past crimes of Japan.

Participants of international meetings including the international hearing on sexual enslavement by the Japanese Army and the 49th session of the U.N. Commission on Human Rights denounced the crimes of the Japanese imperialists in driving millions of Korean young and middle-aged people like beasts of burden and murdering over a million Korean people and making fortunes by carrying away a large amount of resources and valuable cultural relics.

At a meeting of the sub-commission on prevention of discrimination and protection of minorities, a representative of the Liberation Organization said that the Japanese imperialists had drafted over six million Korean young and middle-aged people to work them hard and its government and military deprived the Koreans of their language and names and forced them to worship the Japanese emperor.

Lourder Indai Sajor, coordinator of the Asian women human rights council task force for Filipino victims of military sexual slavery by Japan, said that the crimes of the Japanese imperialists in depriving women of their rights and reducing them to sexual slaves were most hideous anti-human, special-class crimes without parallel in history, that they were heinous crimes against human rights and humanity in view of international law. Campton Makamure, chairman of the Zimbabwe Association of Democratic Jurists, said that the Japanese imperialists established a medieval colonial rule after occupying Korea and murdered over a million Korean people in cold blood and drafted nearly 200,000 innocent Korean women as sexual slaves of the Japanese Army.

"If Japan really has the intention to improve its relations with the DPRK and contribute to world peace and security, it must repent of and apologize for its past crimes and show its sincerity in practice," he urged.

Tanzania-Korea Friendship Association Formed

*SK0701045794 Pyongyang KCNA in English 0418
GMT 7 Jan 94*

[Text] Pyongyang, January 7 (KCNA)—An inaugural meeting of the Tanzania-Korea Friendship Association was held in Dar es Salaam, Tanzania, on December 29.

Joseph Mbwiliza, vice-minister for water, energy and mineral resources and member of the National Executive Committee of the Revolutionary Party of Tanzania, was elected chairman of the Tanzania-Korea Friendship Association.

The chairman of the association in his speech said the association would briskly study and disseminate the *chuche* idea founded by the great leader President Kim

Il-song, actively introduce and propagandize policies of the Workers' Party of Korea and the DPRK Government and lift up voices of support and solidarity for the cause of independent, peaceful reunification of Korea, the cherished national desire of the Korean people.

Letters to the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il were adopted at the meeting.

Anniversary of Sudan's Independence Observed

*SK0701050094 Pyongyang KCNA in English 0419
GMT 7 Jan 94*

[Text] Pyongyang, January 7 (KCNA)—A meeting took place here Thursday in commemoration of the 38th anniversary of the independence of the Sudan.

Present at the meeting were Yi Chol-sin, vice-chairman of the Committee for Cultural Relations With Foreign Countries and vice-chairman of the Korea-Sudan Friendship Association, and officials concerned and working people in the city.

A speech was made and a message of greetings to the president of the Republic of the Sudan adopted at the meeting.

Foreign Media Report Kim Il-song's 1994 Address

*SK0701051894 Pyongyang KCNA in English 0433
GMT 7 Jan 94*

[Text] Pyongyang, January 7 (KCNA)—Foreign news media gave wide publicity to the New Year address of the great leader President Kim Il-song.

The Belgrade television of Yugoslavia on January 1 quoted President Kim Il-song of the Democratic People's Republic of Korea as saying in his New Year address that "it is the United States that has created the suspicion of nuclear development by the North, and it is the United States that has actually shipped nuclear weapons into the Korean peninsula and has been threatening the Korean people," and that the problem "must on any account be settled through Korea-U.S. talks."

The TANJUG news agency and Radio Belgrade of Yugoslavia repeatedly reported the New Year address.

Parts of the New Year address dealing with the nuclear problem on the Korean peninsula and the question of its reunification were reported by the People's Television of Angola, the ROMPRES news agency and central radio of Romania, the Ugandan television and radio, the Peruvian paper LA REPUBLICA, the Italian ANSA news agency and radio, radio Vaticano, the Burundian radio and television and the Togolese television.

KSDP Chairman Supports New Year's Address

*SK0701095094 Pyongyang Korean Central
Broadcasting Network in Korean 2300 GMT 4 Jan 94*

[Press statement by Kim Pyong-sik, vice president of the DPRK and chairman of the KSDP Central Committee, on 4 January; place not given—read by announcer]

[Text] Kim Pyong-sik, vice president of the DPRK and chairman of the Central Committee of the Korean Socialist Democratic Party [KSDP], issued a press statement yesterday [4 January] supporting the fatherland reunification formula clarified by the great leader Comrade Kim Il-song in his New Year's address.

The press statement by Kim Pyong-sik, vice president of the DPRK and chairman of the KSDP Central Committee, is as follows:

All KSDP members are filled with boundless excitement and swelling emotion. All KSDP members are filled with boundless excitement and swelling emotion on hearing the New Year, 1994, ushered in by the New Year address of the respected and beloved leader Comrade Kim Il-song, a peerless patriot and the sun of the nation.

The respected and beloved leader President Kim Il-song, in his New Year's address, proudly summed up last year's achievements of our people who gave full play to the indomitable spirit of *chuche* Korea by vigorously accelerating the socialist economic construction with revolutionary zeal and achieved successive triumphs in political, military confrontation with the imperialists and reactionaries. He also clarified the invariable principled stance of the government of our Republic regarding the fatherland's reunification and set forth programmatic tasks for making 1994 a year of historic upturn in our country's revolution and construction.

In the name of all the KSDP members, I extend warm support and welcome the respected and beloved comrade leader's historic New Year's address.

The respected and beloved leader President Kim Il-song has taught: For our people, reunifying the fatherland is the supreme task of our nation which must not be delayed.

The great leader Comrade Kim Il-song, in his New Year's address, set efforts of the government of our Republic to pave a way for the fatherland's reunification on the united strength of the nation to counter the South Korean authorities' antinational acts which undermine such efforts. He also righteously pointed out that a so-called civilian regime in South Korea is only a disguise which does not differ from the successive military dictatorial regimes.

Out of the people's love of the country and desire to break the deadlock lying in the way of the country and the nation, and to explore a way for the nation, last year, the government of our Republic put forward a 10-point program of great unity for the whole nation for the fatherland's reunification and made all efforts to put it into effect.

The 10-point program set forth by the respected and beloved president is a great charter of the national unity and a bright patriotic torchlight for reunification aimed at ending the tragedy of separation and confrontation forced by outside forces and turning out all the compatriots in the North, South, and overseas to unite their strength to reunify the fatherland at an early date. The only way we can reunify the fatherland in the 90's is thoroughly carrying out the 10-point program of great national unity.

Under conditions in which the newly-emerged South Korean regime professes itself to be a civilian regime, the government of our Republic hoped that they would take the road of reconciliation and cooperation in response to our 10-point program of great national unity, we also took important steps for an exchange of top-level special envoys between the two sides.

But the South Korean authorities, more wicked than their predecessors, have taken the path of depending on foreign forces and of confrontation between the North and South and ignoring our magnanimous proposal and the desire of the entire nation for reunification.

Contrary to their open declaration that any allied country could not be better than the nation and that they would promote the North-South relations proceeding from the point that we are the same fellow countrymen, they staged large-scale nuclear war exercises almost every day against their fellow countrymen in collusion with outside forces and drove the North-South relations to the worst situation on the pretext of North's nonexistent nuclear issue.

They left intact evil fascist laws, including the National Security Law which is a relic of the previous military fascist dictatorship, and the Agency for National Security Planning and the Defense Security command, which are suppressive agencies, thus brutally suppressing the righteous struggle of the South Korean people and students for independence, democracy, and reunification.

How can the Kim Yong-sam regime be called a civilian government and different from preceding military fascist regime when it did nothing but treachery, fascist and splittist acts, and North-South confrontation [*taegyol*] during its rule helped by outside force?

National independence is to love one's country and relying on outside force is to ruin one's country. The reason that our country is divided into two and that the tragedy of division is not ended are also because of the outside force. The outside force brought us not benefit but misery in the past. It is laying on us not mercy but pain today.

It is an intolerable antinational crime that the South Korean authorities keep refusing the fellow countrymen's offer to open a road for the nation to live on through reconciliation and cooperation between the North and South, and joining the outside force to aggravate North-South confrontation and intensify the tension.

Our nation should never choose to bring about self-destruction and let the outside force gain the profit by fighting with fellow countrymen under any circumstance.

The road our nation should walk along is not the road of war due to hostility and confrontation but the road of reunification through national reconciliation and cooperation.

To a nation, independence is life. To defend the life, the whole nation should unite together. A nation not united cannot display its might, and a nation without might cannot keep its independence. If our nation achieves the great national unity with the pride of having kept a single nation for over 5,000 years since Tangun, we can competently repulse any outside force's invasion or interference, break off [kkokko porigo] great powers' might, and achieve reunification in the nineties.

In his New Year's speech, the great leader pointed out that the Republic Government will make all its effort in the future to achieve the country's reunification in the form of the confederal system based on one nation, one country, two systems, and two governments, in accordance with the three major principles of independence, peaceful reunification, and great national unity.

If our nation, which has lived as a single nation during the long 5,000-year history, joins wisdom and might with national ideology, it could establish a pannational united country in the form of the confederal system for the North and South to coexist and co-prosper as we wish leaving two systems and two governments existing in the North and the South as they are.

All Korean compatriots in the North, the South, and overseas should come out and firmly unite as one under the banner of the 10-point program of the great unity of the whole nation for the reunification of the country transcending the differences of idea and ideology, and political preference and religion, to establish a reunified country in the form of the confederal system.

In this year's New Year's speech, the respected and beloved leader President Kim Il-song also set forth the Republic Government's principled position that the nuclear issue of the Korean peninsula should by all means be resolved through the DPRK-U.S. talks. The nuclear issue of the Korean peninsula was originally raised not because of the suspicion over the North's nuclear development that the United States and its followers are talking about but because the United States brought in nuclear weapons to South Korea and threatened us with the weapons.

Therefore, the nuclear issue of the Korean peninsula should be resolved through the face-to-face negotiations between the United States which brought in nuclear weapons, and we, who are directly facing the threat. The United States should know that there is nothing to gain by clinging to suppression and threat.

As the respected and beloved president has taught, the nuclear issue of the Korean peninsula should be resolved in conformity with the spirit of the DPRK-U.S. joint statement.

The principled position on national reunification declared by the respected and beloved leader President Kim Il-song in his New Year's speech is indeed an inspiring banner for overcoming the difficulties faced by the nation and vigorously driving the whole nation to the great cause of reunification in the nineties.

All party members of our Korea Socialist Democratic Party of Korea, of which political ideology is the triad of men's independence, national independence, and mankind independence, shall make all their efforts to achieve the reunification in the nineties with great national unity highly upholding the New Year's speech of the great leader President Kim Il-song.

Taking the opportunity, I firmly trust that all Korean compatriots in the North, the South and overseas will come out as one to the sacred cause of making this year as the historical year that opens a new phase of the national reunification highly upholding the 10-point program of the great unity of the whole nation for the reunification of the country.

Workers 'Resolved' To Attain New Year Goals

SK0701102094 *Pyongyang KCNA in English 1002*
GMT 7 Jan 93

[Text] Pyongyang, January 7 (KCNA)—Factories and enterprises across the country are seething with a socialist emulation to overfulfill the national economic plans for this year.

Workers of the Hungnam fertilizer complex, the Chenam coal mine of the Pukchang District coal mining complex, the Sinuiju shoemaking factory and the Tongdaewon garment factory in Pyongyang express their determination to thoroughly implement the tasks set forth by the great leader President Kim Il-song in his New Year address and challenged the factories and enterprises of the same trades across the country to a socialist emulation.

This challenge has evoked response nationwide.

The workers of the Hungnam fertilizer complex vowed to increase the production of nitrogenous fertilizer 1.4 times and phosphate fertilizer 2.5 times compared with last year and are maintaining the full-capacity operation of modern equipment including the high-pressure compounding tanks and the compressors, keeping production on a high level.

The employees of the Chenam coal mine resolved to produce 1.5 times as much coal as last year by actively introducing effective cutting methods, while giving priority to tunnelling and pit concreting.

The workers of factories and enterprises all over the country including the Sinuiju shoemaking factory upheld the slogan "Let Us Accelerate Vigorously the General March of Socialism in the Revolutionary Spirit of Self-Reliance and Fortitude" and those of the Tongdaewon garment factory are resolved to fulfil ahead of schedule the export plan for this year which is 24 percent above last year.

Preparations for 1994 Farm Production Reported*SK0701104094 Pyongyang KCNA in English 1034
GMT 7 Jan 94*

[Text] Pyongyang, January 7 (KCNA)—The rural communities of Korea are now busy with farming preparations.

The agricultural working people throughout the country who reaped rare bumper crops last year are now concentrating their efforts on the production of compost, storage of water and repair and readjustment of tractors and other farm machines in order to have a bumper harvest again this year which will mark the 30th anniversary of the publication of the socialist rural theses (February 25, 1964.)

According to data available at the State Agricultural Commission, the compost production nationwide reached 84 percent of the plan as of January 5 and most of them has been carried out to paddy and non-paddy fields.

The agricultural working people in North Hamgyong Province and Kaesong municipality have honored their compost production assignments respectively at 105 and 102 percent.

Rural communities including those in North Hwanghae and South Pyongan Provinces and Nampo municipality have stored water almost enough for this year's farming.

The repair and readjustment of tractors, rice-transplanting machines, rice seedling-plucking machines and other farm machines are near completion.

The adjustment of waterways and the check-up and repair of water-pumping facilities have made a substantial progress.

Decree Issued on Anniversary of Rural Theses*SK0701051394 Pyongyang KCNA in English 0449
GMT 7 Jan 94*

[Text] Pyongyang, January 7 (KCNA)—The Central People's Committee of the Democratic People's Republic of Korea on January 5 issued a decree on the institution of the commemoration order of the 30th anniversary of the rural theses.

The decree says a change of the century has been effected in the rural communities of Korea over the past 30 years under the wise guidance of the party and the leader in the advance along the straight path indicated by "Theses on the Socialist Rural Question in our Country" published by the great leader President Kim Il-song on February 25, 1964.

"With the three revolutions, ideological, technical and cultural, powerfully accelerated in the rural communities," it notes, "our agricultural working people have become the true masters of the countryside enjoying an independent and creative life, freeing themselves from outdated ideas and customs left behind by the exploiter society, irrigation and electrification have been completed and comprehensive mechanization and application of chemicals have

reached a high level and agricultural production has made a fast progress on the basis of modern science and technology through the application of the *chuche* method of farming.

"The Central People's Committee of the DPRK adopts a decision on the institution of the commemoration order of the 30th anniversary of the rural theses for the state decoration of officials and agricultural working people who have performed distinguished feats in the fruitful efforts to carry the socialist rural theses into practice, sincerely following the wise guidance of the party and the leader," says the decree.

Number of 'Heroes of the Republic' Increasing*SK0601225994 Pyongyang KCNA in English 1509
GMT 6 Jan 94*

[Text] Pyongyang, January 6 (KCNA)—Many people have become performers of feats and heroes of the time in the Democratic People's Republic of Korea.

Last year, 135 people were awarded the title of hero for their unexcelled self-sacrificing spirit, patriotic devotion and creative activity for the country and the people, for the society and collective.

Among them are heroes of the Republic Hwang Yong-chun and Yu Kyong-nam and labor heroes Kwon Sun-hui, Yi Ung-su and Yi Sung-ha.

Yi In-mo, a former war correspondent of the Korean People's Army, who underwent unspeakable sufferings behind bars in South Korea for 34 years, maintaining his patriotic principle, was embraced by the great homeland last year and awarded the gold star medal of the hero of the Republic amid blessings of all the people.

Hwang Yong-chun rendered distinguished service in defending the country, while serving as a soldier until he was 37 years old though he received demobilization orders six times. Yu Kyong-nam died at the age of 22 while serving in the Army. He saved scores of his comrades by covering with his body a handgrenade on the point of explosion.

Among the heroes are those who distinguished themselves in socialist economic construction, effected innovations in production and contributed to the development of the nation's science, education and literature and art.

It is unthinkable apart from the noblest benevolent politics of the illustrious leader that a good many people have become heroes while defending socialism.

The dear leader Comrade Kim Chong-il published a historic work "Let us All Live and Struggle Like Heroes" in May 1988. In the work he said that to live like a hero and to become a hero is the only valuable and worthy life for a [word indistinct] man and encouraged all the people to perform heroic feats.

Thus heroism of the Korean people that originated from the anti-Japanese revolutionary struggle is being given a

fuller scope in grand socialist construction today after years of the arduous yet worthwhile revolution.

Mass heroism and unexcelled devotion have been fully displayed in all sectors of the national economy, producing many heroes of the Republic and labor heroes every year.

Heroes in the Army and among the people remain loyal to the leadership of Comrade Kim Chong-il, a great brilliant commander. This is the true appearance of the Korean society.

Daily Predicts 'Sure' Victory of Socialism

*SK0701114894 Pyongyang KCNA in English 1025
GMT 7 Jan 93*

["Imperialists' Anti-Socialist Moves Bound To Go Busted"—KCNA headline]

[Text] Pyongyang, January 7 (KCNA)—The great leader President Kim Il-song, analysing the present international situation in his New Year address, clarified that the imperialists are blustering, but they can neither arrest the people's aspiration to socialism nor turn back the trend of history.

The idea of inevitability of the frustration of the imperialists' anti-socialist moves and necessity of the victory of socialism, which was elucidated by the great leader in his New Year address, serves as an inspiring banner in smashing the manoeuvres of the imperialists and vigorously struggling for the accomplishment of the socialist cause, NODONG SINMUN today in a by-lined article says, and goes on:

As in the past, so in the future, too, the anti-socialist moves of the imperialists are bound to go bankrupt. This is because the old cannot defeat the new, first of all.

The imperialists' moves to arrest the development of socialism and obliterate it are an anti-historic scheme contrary to the law governing historic development and, accordingly, it is axiomatic that it cannot be realized.

In view of the course of the development of human history, capitalism, the old one going against historic development, is bound to give way to an advanced socialism as a slave society gave way to a feudal society and the latter to a capitalist society.

The moves of the imperialists to block the development of socialism and stifle it cannot but meet a strong counter-attack of the popular masses as they are anti-popular and against history.

The struggle for socialism is the cause to realise the aspirations and demand of the popular masses to live and develop independently as full-fledged masters of the state and society freed from all manner of exploitation and oppression.

The plot of the imperialists to block the development of socialism and restore capitalism is bound to fail in face of the rejection and protest of the popular masses.

The more viciously the imperialists pursue anti-socialist strategy, the more vigorously the popular masses will struggle against them, strengthening unity and solidarity.

Socialism is sure to win victory in the struggle against capitalism thanks to the active support and struggle of the popular masses. It is because socialism, an idea conforming with the independent nature of the popular masses and the requirement of social development, is daily growing in strength with the positive support of the popular masses who are an overwhelming majority of society.

DFRF Calls For New Phase in Reunification

*SK0701050894 Pyongyang KCNA in English 0424
GMT 7 Jan 94*

[Text] Pyongyang, January 7 (KCNA)—The policy of opening a new phase of national reunification through the unity of the whole nation which was clarified by the great leader President Kim Il-song in his New Year address for 1994 indicates the most reasonable and realistic way to realize the reunification of the country by the internal efforts of the nation in conformity with the will and interests of the nation, said Yom Tae-chun, presidium member of the Central Committee of the Democratic Front for the Reunification of the Fatherland (DFRF), in a statement January 6.

He pointed out that the DPRK made every possible effort to achieve a great unity of the whole nation last year, but the South Korean authorities, ignoring it, took the road of dependence on foreign forces, the road of North-South confrontation.

He said the Kim Yong-sam group's criminal acts clearly prove that it is a pack of despicable traitors who are clean indifferent to the destiny of the nation, only seeking to maintain their power, and that it is impossible to achieve national reconciliation and unity, peace and peaceful reunification of the country while Kim Yong-sam's "regime" is left intact.

He stressed that all the people who love the country and the nation should unite as the same nation in hearty response to the "10-point Programme of the Great Unity of the Whole Nation for the Reunification of the Country", the great charter of national unity, transcending all differences, whether they be in the North, or in the South, or abroad and whether they be communists, or nationalists, haves, or have-nots, and pave the path to national reunification together.

Group Supports Unification Through Confederacy

*SK0701051594 Pyongyang KCNA in English 0430
GMT 7 Jan 94*

[Text] Pyongyang, January 7 (KCNA)—Chong Sin-hyok, vice-chairman of the Committee for the Peaceful Reunification of the Fatherland, in a statement January 6 said that to found a pan-national unified state through a confederacy on the basis of the three principles of independence, peaceful reunification and great national unity as clarified

by the great leader President Kim Il-song in his New Year address for 1994 is the most fair and feasible way of reunification which fully conforms to the will and interests of the nation.

"If our nation who has lived as a homogeneous one for more than 5,000 years from the days of Tangun unites firmly as one under the banner of the 10-point programme of the great unity of the whole nation, transcending differences in ideology and idea, political view and religious belief, it can found the pan-national unified state without difficulty while leaving the two systems and two governments existing in the North and South as they are," he said, and stressed:

"The present South Korean authorities, however, broke off all the dialogues of both governmental and nongovernmental level between the North and South which had been held even in the days of the preceding military fascist 'regimes', saying they 'cannot shake hands with the partner possessed of nuclear weapons', and did not hesitate to commit such a treacherous act as trampling upon the historical North-South agreement and joint declaration on denuclearization which had already been adopted and brought into effect, like sheets of waste paper.

"What our nation wants is national reconciliation and unity, not confrontation and war.

"All the Koreans in the North, in the South and abroad should turn out more vigorously in the struggle for national reunification."

KCNA Reports on Construction of Reservoirs

SK0701050594 Pyongyang KCNA in English 0403 GMT 7 Jan 94

[Text] Pyongyang, January 6 (KCNA)—The construction of reservoirs has been pushed ahead in Korea.

Some 20 reservoirs are under construction in North Hwanghae Province, western central part of the country.

Their pondage amounts to tens of millions of cubic meters.

The builders are now speeding up the construction of reservoirs at the final stage with a target to finish them before the 30th anniversary of the publication of the rural theses (February 25).

The province built the Chitaek reservoir with a pondage of 2 million cubic metres, the Sinchon reservoir with a pondage of 1.7 million cubic metres and 30 other reservoirs in the last two years for an effective use in the development of agriculture.

The work to consolidate irrigation is being pushed ahead in other provinces including South Hwanghae, North and South Pyongan Provinces.

In Korea, all paddy and non-paddy fields have been already fully irrigated.

The overall irrigation system for paddy and non-paddy fields has been established with the construction of 14,000

kilometres of water channels including the West Sea barrage-Sinchon-Kangryong-Ongjin waterway, the West Sea barrage-Lake Changsu reverse current waterway, the West Sea barrage-Onchon waterway, the River Yesong-Yonbaek plain waterway, the River Nam-Miru plain waterway, the Taechon power station-Unjon-Chongju-Kwaksan waterway, over 12,400 pumping stations, 192 reservoirs and over 16,000 underground water facilities along with the existing irrigation set-ups.

South Korea

IAEA To Raise Number of Experts for Inspections

SK0601224194 Seoul KBS-1 Radio Network in Korean 2100 GMT 6 Jan 94

[By Cha Man-sun from Vienna]

[Text] The International Atomic Energy Agency [IAEA] plans to increase significantly the number of inspection experts and send them to Pyongyang in order to restore the continuity of inspections, which was greatly damaged by the suspension of operation of monitoring equipment in North Korean nuclear facilities and by North Korea's refusal of inspections.

A relevant IAEA high-ranking official said that through overall inspections [chonmyon sachal], which will be resumed in the future, the IAEA plans to restore the damaged continuity of inspections of North Korea. Toward this end, it will send the inspection team to Pyongyang after adding three or four additional experts.

He stressed that the IAEA plans to send an inspection team of approximately seven experts to Pyongyang for the nuclear inspection of North Korea, which will be resumed in the future. He said he was not sure if North Korea would accept the seven experts because the IAEA has not received an official message from the North Korean side yet. He said, however, that the IAEA plans to discuss the issue with North Korea through consultations.

He stressed that the inspections must be regularly conducted in order to completely restore the continuity of inspections and he expressed the hope that North Korea will respond positively. He said that the inspection team, which is ready to go to North Korea now, is standing by in order to change monitoring equipment in North Korean nuclear facilities, including six monitoring cameras and over 40 pieces of sealing equipment [pongin changchi] and to check in detail the total stock of nuclear material that has not yet been examined.

IAEA Waiting for DPRK Response on Inspections

SK0701005094 Seoul YONHAP in English 0044 GMT 7 Jan 94

[Text] Berlin, Jan. 6 (YONHAP)—North Korea has not sent the International Atomic Energy Agency (IAEA) any

message signalling its acceptance of IAEA inspections of its nuclear sites, IAEA Spokesman Hans Meyer said Thursday [6 January].

The Vienna-based IAEA is waiting for Pyongyang to provide an official message signed by Atomic Energy Industry Minister Choe Hak-kun for any kind of breakthrough in the situation in view of past negotiations with the communist regime, Meyer said.

There has not been any message from Pyongyang since unofficial contact between working-level officials from each side on Wednesday [5 January], he said. But IAEA expects North Korean response regarding nuclear inspections soon and will continue to be on the alert this weekend, he added.

NNSC Official Warns Against Pressing DPRK

*SK0701011594 Seoul YONHAP in English 0059 GMT
7 Jan 94*

[Text] Panmunjom, Korea, Jan. 7 (YONHAP)—It is not in the interest of any nation to see North Korea collapse and it is dangerous to push Pyongyang hard on the nuclear issue, Maj. Gen. Bernard Sandoz, chief Swiss member on the Neutral Nations Supervisory Commission (NNSC), said Friday [7 January].

"There is danger of pushing North Korea and having something that no one wants to have," he said in an exclusive interview with YONHAP. "Be patient," Sandoz, asked about prospects of Korean reunification, told YONHAP reporters at the Swiss Club inside the truce village of Panmunjom.

"It is not in the interest of South Korea, China, Japan or the United States to have collapse of North Korea," he said, warning of tremendous repercussions. While hailing the progress in Pyongyang-Washington dialogue in solving the nuclear situation, the major general noted that North Korea basically has "no confidence in Americans."

North Korea claims it has come close to meeting U.S. terms only to see Washington move away by attaching more conditions to better relations, and so North Korea is demanding a package deal to resolve the nuclear question, he said.

"Yongbyon is the only card in their (North Korean) game," he said, referring to the site of suspected nuclear facilities involved in secretive arms development. U.S. concern for peace and stability in Northeast Asia is well understood, Sandoz said.

"It's important for North Korea to have something where they know they will not be cheated."

The 58-year-old general, a diplomat by profession, has been at his post since August 1990 and witnessed changes in inter-Korean relations and the status of the commission, established in 1953 at the end of a three-year Korean war to oversee the Armistice Agreement. All official contact between North Korea and the NNSC was broken off in May 1991 by Pyongyang, a result of North Korea's protest

against the appointment of the first South Korean chief of the Military Armistice Commission in March that year.

"It's very frustrating to be here and not be able to fulfill the mission completely because of the boycott," he told YONHAP. He said they had to accept other channels of dialogue such as the ongoing working-level talks between North Korea and the United States in New York.

Despite North Korea's insistence on dissolving the NNSC, Sandoz said, the commission will stay until the Armistice Agreement is replaced by a peace treaty.

The Armistice Agreement is the only legal base, he said, and the NNSC is part of this legal base.

"We will stay until both sides (South and North Korea) agree we should leave," he said. "This is the official position of the NNSC and members' governments."

Comments on Commission's Usefulness

*SK0701022894 Seoul YONHAP in English 0139 GMT
7 Jan 94*

[Report by Yi Tong-min]

[Text] Panmunjom, Korea, Jan. 7 (YONHAP)—Inter-Korean relations have changed dramatically during the last 40 years, and so have the role, status and responsibilities of everything that is related to them.

Just ask Maj. Gen. Bernard Sandoz, chief Swiss member on the Neutral Nations Supervisory Commission (NNSC), who is three years and five months into an assignment that secludes him in barracks in the middle of no-man's land in the truce village of Panmunjom on the dividing line between South and North Korea.

"We have to accept other channels of dialogue. They (South and North Korea, the United Nations Command [UNC]) don't need us so much," Sandoz tells reporters from YONHAP, the first Korean journalists to meet him inside the Swiss barracks. The commission was powerful when it was formed at the end of the 1950-1953 Korean war.

Purpose—to supervise, investigate and control so that neither side of Korea will increase military tension in violation of the Armistice Agreement signed at the end of the war.

Members—Czechoslovakia and Poland picked by North Korea, and Sweden and Switzerland chosen by South Korea.

It had five inspection teams in both halves of Korea to check every ingoing and outgoing ship, aircraft and train to prevent arms smuggling and espionage.

"In 1954, 1955, 1956, there were no discussions (between South and North Korea)," Sandoz recalls. "We were the only ones to be able to cross the border freely. We would tell each other what the other thinks."

"The main job was to make contact, make them understand the viewpoint of the neighbor."

It was the NNSC that persuaded South and North Korea to sit down for informal, secret talks at the outbreak of the Pueblo incident in 1968, when North Korea captured a U.S. spy boat and its crew.

It was in the NNSC lounge that the two Koreas held sports and students talks, and here that they exchanged the agreement on a non-nuclear Korean peninsula.

"This is proof that it (NNSC) is still useful," says Sandoz. But NNSC history tells of numerous ups and downs. Demonstrators opposing the Armistice Agreement rallied against the commission and some people even sent bombs to its barracks. All inspection teams were recalled, and staff drastically reduced from 96 to about 10 at the Swiss commission.

Recent years saw more disappointments. Czechoslovakia left the commission after North Korea insisted that its breakup into separate states had invalidated its status.

The seat has remained vacant since April 10, 1993. North Korea is yet to name a successor since it "found no one who can give the assurance they will be neutral," according to Sandoz.

North Korea refused to recognize the appointment of the first South Korean as chief of the UNC side of the Military Armistice Commission in March 1991, and the next May, when the NNSC chose to remain neutral and not pressure the UNC to revoke the appointment, North Korea cut off all official contact with the commission.

"It's very frustrating to be here and not be able to fulfill our mission completely because of the boycott," the 58-year-old general tells the YONHAP reporters.

There are limitations to how much the commission can do right now because North Korea insists on talking only with the United States.

"The NNSC is at any time willing to mediate, but the problem is both sides have interest to negotiate directly, North Korea directly with the United States, South Korea directly with North Korea and the International Atomic Energy Agency (IAEA) directly with North Korea without any intermediary," he explains.

Sandoz travels to Pyongyang and other North Korean cities every few months at unofficial invitation from his counterparts there and China, a signatory of the Korean Armistice Agreement. He was invited to Pyongyang for President Kim Il-song's 80th birthday celebration in April 1992 and went through North Korea last year on his way to and back from Tibet and China.

There is no telling when Sandoz will return to his home country and resume his diplomatic career. The post is for three years, but his stay in Panmunjom was extended at the lack of a successor. But he is sure about one thing, that NNSC has to stay until the Korean Armistice Agreement is replaced by a peace regime.

"We believe strongly we are still useful because we are part of the Armistice Agreement, the only legal base," he says. North Korea wants the commission dissolved, but South Korea and the UNC say otherwise.

"As long as they have different views, we stay. This is the official position of NNSC and the members' governments," Sandoz says.

Daily: North, South Exchanged Envoys in 1985

SK0701064894 Seoul YONHAP in English 0603 GMT 7 Jan 94

[Text] Seoul, Jan. 7 (YONHAP)—The presidents of South and North Korea exchanged envoys in autumn 1985 as they sought to set up a summit, the CHUNGANG Daily News reported Friday.

President Chon Tu-hwan sent director of the Agency for National Security Planning [NSP] Chang Se-tong to Pyongyang after Ho Tam, secretary of the North Korean Workers' (Communist) Party, visited Seoul as the special envoy of President Kim Il-song, the daily claimed in its story. Ho arrived in Seoul on Sept. 4 through the truce village of Panmunjom and stayed until Sept. 6, while Chang visited Pyongyang through Panmunjom from Oct. 16 until Oct. 18, it said.

The presidents discussed through their envoys how to arrange the first Seoul-Pyongyang summit.

Pak Chol-on, as special assistant to the NSP director, went with Chang to Pyongyang while Ho was accompanied by Han Si-hae, An Pyong-su and Choe Pong-chun. Ho was chairman of the Committee for the Peaceful Reunification of Fatherland, which is in charge of North Korean policy toward the South, from 1984 until his death in 1991.

Chang met with Kim Il-song on Oct. 17 in Pyongyang and gave him a letter from Chon asking him to visit Seoul after Chon visited Pyongyang, the CHUNGANG said.

The two sides discussed ways to hold a summit in Pyongyang at "an early date" and a second summit in Seoul, but the meeting has still to be realized nearly 10 years later.

North Korea was more active than the South in seeking a summit until the end of 1985, but become reluctant in 1986 as the South Korean political situation became unstable due to controversy over constitutional revision.

Need Seen for Control Mechanism in North Policy

SK0701070994 Seoul CHOSON ILBO in Korean 5 Jan 94 p 3

[Editorial: "A Control Mechanism Is Needed in Dealing With the Policy Toward North Korea"]

[Text] In his New Year's address, asserting that "the nuclear issue should be solved only through DPRK-U.S. talks," North Korean President Kim Il-song denounced

President Kim Yong-sam's civilian government by saying it is "a puppet regime which is no different from the previous military dictatorial regimes."

All North Korean mass media, including NODONG SINMUN as well, have been denouncing the Kim Yong-sam government, calling it "a puppet clique." This shows that Kim Il-song and his regime still do not recognize our legitimate civilian-led government as a party of dialogue while still adhering to the Cold War theory.

This notwithstanding, our side tends to assess North Korea with good-intended words by saying "We cannot say North Korea possesses nuclear weapons," "It is an urgent task to solve the North Korean nuclear issue in the first half of this year," and "It is possible to hold North-South summit talks this year." Thus, a series of encouraging words that pin hopes on North Korea as being one party of the North-South dialogue have been successively uttered recently.

What a contradictory phenomenon this is! It results from the fact that confronting views in approaching the North-South Korean issue have long existed in our society, and even today a view which synthetically grasps the North-South Korean issue has not been yet established among our people. Furthermore, such a series of words may have been uttered after being perplexed by the fact that an agreement is imminent in the negotiations between the United States and North Korea.

Although such conflicting views on North-South relations among our government officials have been rectified to some extent following the recent cabinet reshuffle, many of those who deal with the North-South relations question still only reveal a "good opinion" regarding their personal stance or the stance of the organization they belong to.

Anyway, in dealing with the issue of North-South relations we tends to overlook the essence of the issue and, instead, only cling to procedures, giving priority to them. For example, we have even come to believe that if North Korea accepts nuclear inspections and agrees to exchange special envoys, the issue of North-South relations can be completely settled. The nuclear inspections are nothing but a process to guarantee North Korea's transparency, which can prove that it is not developing nuclear weapons. North Korea's nuclear transparency is not guaranteed to the extent where we can promise to suspend the Team Spirit exercise as soon as the International Atomic Energy Agency's inspection team arrives in North Korea.

Speaking of the issue of exchanging special envoys, exchanging special envoys itself is not important. What is important is the contents of the messages the special envoys deliver. The contents of the messages exchanged between the North and the South may differ. It will require much time and effort before the North and the South reach an agreement in view on the contents included in the messages.

We should examine if we have been entangled in North Korea's strategy intended to overshadow the essence of

North-South relations. At the same time, we should establish a sort of mechanism which can deal with the issue of North-South relations by giving emphasis to its essence. We should develop a policy toward North Korea which has principles and continuity. A policy toward North Korea should be such that it does not change even if a regime or ministers concerned change. It should transcend the regime. Such a policy is possible only when it is implemented with the spirit that the issue of North-South relations should be dealt with by the ROK, not by specific ministries or regimes.

Vice Unification Minister on Policy for 1994

*SK0701061594 Seoul MUNHWA ILBO in Korean
4 Jan 94 p 7*

[*"Special interview" with Vice Unification Minister Song Yong-tae by Kim Kyo-man; place and date not given—first paragraph is MUNHWA ILBO introduction*]

[Text] We are curious to know how inter-Korean relations, which were at a stalemate over the nuclear issue during the entire past year of 1993, will develop in the new year. Vice Unification Minister Song Yong-tae, examining the prospects for inter-Korean relations in 1994, said, "A momentous turning point will come about. The government will establish a new attitude in its reunification policy." The following is the government's reunification policy as disclosed by Vice Minister Song during an interview with MUNHWA ILBO.

[Kim] What is the direction of the government's reunification policy for the new year in order to resolve the stalemate in inter-Korean relations?

[Song] A momentous turning point will come about this year for the progress of inter-Korean relations. Therefore, our reunification policy will establish new features both in domestic policy and in the policy toward the North. Internally, we will develop a picture of the reunified fatherland and induce national consensus. The reunified fatherland will be a state where freedom, human rights, and welfare are embodied and where law and morality prevail. For this, the features of the reunified state should be embodied within South Korea in the first place. This is why our country's reform process must succeed. Reform is a prerequisite for reunification.

In our policy toward the North, we will strive so that the nuclear issue can be resolved and inter-Korean relations can enter the stage of reconciliation and cooperation. We will do our utmost so that the working delegates' contact for the exchange of special envoys, which was suspended last year, may be resumed as soon as possible.

[Kim] In connection with our policy on the North Korean nuclear issue, the most controversial point was the policy of linking the nuclear issue with economic cooperation. Will you continue to maintain this policy?

[Song] Since the nuclear issue is directly connected with our nation's survival, the highest precedence should be

given to resolving it. As long as the nuclear issue remains unresolved, practical progress in inter-Korean relations is improbable. It was in this perspective that we linked the nuclear issue with economic cooperation. Therefore, we will maintain this policy. I think that our policy of linking the nuclear issue with economic cooperation demonstrated to the international community our determination to resolve the nuclear issue and contributed to strengthening the international cooperation system.

[Kim] One of our main concerns this year is the issue of exchanging special envoys. If the exchange of special envoys is realized, what issues will be discussed there?

[Song] There are differences between the two sides over the mission of the envoys exchanged. We think the special envoy would be a messenger who would convey the will of the top leaders of each side. The North side assigns the special envoy the role of discussing the pending issues between the North and the South, such as the denuclearization of the Korean peninsula, alleviation of tensions, the implementation of the North-South Agreement, the great national unity, and the North-South summit talks.

To narrow this difference, we will have to have working contacts, but our position in exchanging special envoys is that the highest precedence must be given to resolving the nuclear issue. North Korea also mentioned the nuclear issue when it proposed the exchange of special envoys. The North shares our position in the sense that it put forth the issue of denuclearization at the top of the agenda. On all accounts, the main point in the agenda in the exchange of special envoys is to bring a breakthrough in resolving the nuclear issue.

[Kim] North Korea-U.S. negotiations to find a solution to the North Korea nuclear issue are currently underway. What is your view?

[Song] Since negotiations are underway, it is not easy to have concrete prospects at present. However, it is clear that the two nations do not want a catastrophe to result if the negotiations fail. I think that the possibility of resolving the North Korean nuclear issue is greater than ever before.

[Kim] What is the part to be changed above all in the government's policy on North Korea in the event that the North Korea-U.S. negotiations are concluded successfully?

[Song] The expected result in the current negotiations would be a complete return of North Korea to the Nuclear Nonproliferation Treaty and acceptance of inspection by the International Atomic Energy Agency. However, our position is that mutual inspections between the North and South should follow. In the event that agreement is reached on the mutual inspections and those inspections are carried out, our government will allow businessmen to visit the North and will initiate full-scale economic cooperation.

We will also pay attention to joint development of resources, including nuclear energy. This will not only result in the exchange of manpower and materials between

the North and the South but also will effect unprecedented changes in overall North-South relations.

In addition, in the event that North Korea accepts all of the ordinary and ad hoc inspections by the IAEA and responds to the exchange of special envoys of the North and the South, the issue of suspending the 1994 Team Spirit exercise will be decided under our government's authority. The issue of turning the Armistice Agreement into a peace agreement, which is closely related to consolidation of peace on the Korean peninsula, is clearly prescribed in the basic agreement. Therefore, we will make efforts to resolve this issue with the initiative.

[Kim] What were the noteworthy changes, if any, in North Korea's movement and attitude last year?

[Song] In the political field, North Korea has been reinforcing Secretary Kim Chong-il's system. In view of the fact that North Korea admitted the failure of the Third Economic Plan, we estimate that the North Korean economy is in a serious situation. In the social field, the phenomenon of deviation [ital] has persisted despite the authorities' control. Even amid the difficult economic situation, North Korea pushed ahead with the expansion of armaments.

We can say that its overall internal situation is getting worse. However, it is true that North Korea is seeking a series of changes in a bid to maintain existing systems. For example, the Supreme People's Assembly held last December declared agriculture-first, trade-first, and light industry-first policy. Besides, North Korea is accelerating the overhaul of its juridical system with a view to inducing foreign investment.

[Kim] You mentioned changes in North Korea. What is your view on the degree of such changes?

[Song] It is true that North Korea is changing. But it is too early to consider this as an essential change. I would like to personally describe it as tactical change. However, we should also remember that when such tactical change is accumulated, this change will be linked to strategic change.

One of the examples is that North Korea entered the United Nations together with South Korea. Up until its entrance to the United Nations, North Korea claimed that simultaneous entry was a policy for the perpetuation of division. Nevertheless, it chose the simultaneous entry in order to maintain its system after the international situation changed. In view of North Korea's past logic, this can be considered a great change.

Likewise, North Korea will continue to seek changes according to what occurs at home and abroad for the survival of its own system. I think the direction of changes North Korea is seeking would be that of Chinese-style change. I presume that even if North Korea pursues the Chinese model, it will take its own characteristics into account and will push for a limited opening at a lower speed than that of China.

[Kim] People repeatedly say that circumstances for reunification have now changed. Will you point out which are beneficial to reunification and which are not in recent relations among neighboring countries?

[Song] The neighboring countries of the Korean peninsula support the principle of resolving the reunification issue by the concerned parties, North and South of Korea, as well as the denuclearization of the Korean peninsula. The fact that our neighboring countries want the denuclearization of the Korean peninsula and durable peace are aspects beneficial to us, because the basis of our reunification policy is to advance toward reunification through the peaceful coexistence between the North and the South. Therefore, North and South of Korea should take advantage of this opportunity, and should gather wisdom so that they can ultimately advance toward reunification by consolidating durable peace and through peaceful coexistence.

Regarding the effort to consolidate peace on the Korean peninsula, we are somewhat worried about the indication given by some neighboring countries increasing their military power. The movements of Japan and China belong to this category. I think we should take precautions for the possibility of such movements advancing to such a degree as to threaten stability and peace in Northeast Asia.

[Kim] It is expected that Japan, which kept step with the United States, will accelerate the speed of contacting North Korea this year. People pointed out that we should also deal with this.

[Song] We understand that the Japanese Government will initiate a full-scale negotiation with North Korea for the establishment of diplomatic relations only after the nuclear problem is solved. The United States, Japan, and we are keeping the step with one another under a close cooperative system. This relationship will continue in the future, too.

The visits of Japanese businessmen to North Korea do not necessarily mean that they are going to start economic cooperation with North Korea at once. Such visits are made in order to make an advance survey of North Korea with the purpose of preparing for compensation to be paid to North Korea by Japan after the establishment of diplomatic relations.

[Kim] What are the tasks that should be pushed ahead by North and South Korea as short-range projects to prepare for reunification?

[Song] The top priority task is the issue of separated families. This issue stands above any political issue. The North and South reached an agreement in 1992 on the visit of old parents to their hometown. The work of establishing a meeting site for separated families in Panmunjom and exchanging home-visiting groups and letters should be pushed ahead without any precondition. Two years have passed since the basic agreement, which the North and the South pledged before 70 million fellow countrymen, was adopted. We should make efforts so that the work of various joint committees is resumed at an early date to implement the agreement.

N-S Trade Decreases for First Time Since 1989

*SK0701114594 Seoul HANGUK ILBO in Korean
7 Jan 94 p 2*

[Text] It was learned on 6 January that North-South trade was reduced last year for the first time since the guideline on North-South trade and cooperation was formulated in June 1989.

That day, the National Unification Board [NUB] revealed that the volume of the government-approved North-South trade for 1993 indicates \$190.49 million of import and \$10.228 million of export, thus amounting to a total of \$206.647 million. This figure shows six percent decrease from the amount of previous year of \$231.503 million.

The NUB observed that the reduction of North-South trade, which showed the increase each year, is prompted by strained North-South relations since North Korea withdrew from the Nuclear Nonproliferation Treaty. The NUB, however, revealed that the trade of last December amounted to \$40.304 million in 64 cases, showing 8.9 percent increase from the previous month.

In particular, the actual trade amount approved by the government on processing-for-wage deals was \$4.338 million in 43 cases last year, showing an increase by a factor of 7.8 over the \$556,000 in 10 cases in the previous year. The NUB official noted that this increase indicates a new possibility for North-South trade.

Russian Defense Minister Cited on DPRK Issue

*SK0701012594 Seoul HANGUK ILBO in Korean
6 Jan 94 p 2*

[By Yi Chang-hun from Moscow]

[Text] Concerning the recent views that the international community should impose strong economic sanctions on North Korea in case there is a brake in the consultations between the North Korean side and the International Atomic Energy Agency [IAEA] on nuclear inspections—including U.S.-North Korean negotiations regarding the nuclear issue, which have been in going on recently—Russian Defense Minister Pavel Grachev warned on 5 January that this step would make North Korea withdraw from the Nuclear Nonproliferation Treaty [NPT].

In a meeting with U.S. congressmen visiting Russia on that same day, Defense Minister Grachev said that Russia wants North Korea to return to the Nuclear Nonproliferation Treaty, and that it does not want the DPRK to be isolated from the international community.

He stressed that the United States must urge China to show a more active and correct attitude toward the settlement of the nuclear issue.

Japan Reportedly Proposes Talks on DPRK Ties*SK0701012694 Seoul YONHAP in English 0116 GMT
7 Jan 94*

[Text] Tokyo, Jan. 7 (YONHAP)—Japan proposed to North Korea last autumn that they resume their negotiations on normalization of diplomatic relations, suspended in November 1992, a senior official at the Foreign Ministry said Thursday [6 January].

"We proposed holding preparatory negotiations," he said.

This is a reversal of the Japanese Government position that it would not propose resumption of negotiations because North Korea one-sidedly broke them off. Tokyo seems to have changed its position and made the proposition because it was felt that postponing resumption of the negotiations recklessly was undesirable in view of a possible breakthrough in nuclear negotiations between North Korea and the United States, according to diplomatic sources.

"Last autumn, a Foreign Ministry official officially asked North Korean authorities stationed in a third country to have preparatory negotiations with Japan for resumption of talks on normalization of diplomatic ties," the Ministry official said. North Korea has not answered Tokyo's proposition, he said. Japan made the proposal as indirect aid to the United States in its negotiations with North Korea on the nuclear problem, he said.

"The Foreign Ministry could tap North Korea's position on the preparatory negotiations again if necessary," he said.

He had no comment on the results of North Korean-U.S. contacts announced Thursday.

"It's too early to say anything about the negotiation," he said. Blocking special inspections of North Korea's non-declared nuclear facilities would affect the resumption of Tokyo-Pyongyang negotiations, he said.

ROK, Japan To Send Joint Mission to Sakhalin*SK0701054594 Seoul YONHAP in English 0525 GMT
7 Jan 94*

[Text] Seoul, Jan. 7 (YONHAP)—South Korea and Japan will send a joint mission to Sakhalin on Jan. 10 to investigate the living conditions of ethnic Koreans there, the Foreign Ministry said Friday [7 January]. Most ethnic Koreans there were mobilized by Japan as miners during World War II and left behind after the war, when Russia seized the territory.

The joint team will conduct a basic survey on living conditions and demands of the Koreans and will seek cooperation with the Sakhalin local government and Red Cross for four days. Seoul considers the issue of returning the Koreans a symbolic work to resolve wrongdoings by Tokyo in the early 20th century.

"Most Koreans who want to return to Korea are those who went there during World War II and now are aging. So we are to seek an early solution to the issue," a Foreign Ministry official said.

The South Korean delegation, headed by Sin Kak-su, chief of the Northeast Asia division of the Foreign Ministry, include officials from the prime minister's office, Health and Social Affairs Ministry and Korea National Red Cross, while the Japanese team will comprise Foreign Ministry and Red Cross officials.

Russia will send observers from the Foreign Ministry and State Committee on National Problems.

Committee Granted OECD Observer Status*SK0701001294 Seoul THE KOREA TIMES in English
7 Jan 94 p 2*

[Text] Korea has been given observer status by the Organization for Economic Cooperation and Development (OECD) to its committee on capital movements and invisible transactions (CMIT), the Foreign Ministry said yesterday [6 January]. The CMIT is one of five finance-related OECD committees whose observer status Korea requested in July last year as a step to becoming a full member of the body composed of 24 advanced economies in 1996.

A ministry official said that the Paris-based OECD is expected to allow Korea observer status to the remaining four committees soon.

The four are the committee on international investment and multinational enterprises (CIME), the insurance committee, the committee on financial markets and the committee on fiscal affairs.

The gaining of observer status to the CMIT, a key move for a country seeking to join the OECD, is expected to promote internationalization of Korea's financial and capital sectors, the official said.

Now, Mexico, Poland, the Czech Republic and Hungary are active as observers to the CMIT.

The OECD has a total of 26 committees and four organs, of which Korea is a regular member or observer to 10.

Probe Into French Arms Fraud Case Concluded*SK0701071594 Seoul YONHAP in English 0644 GMT
7 Jan 94*

[Text] Seoul, Jan. 7 (YONHAP)—Korean-French arms dealer Jean-Rene Fuan and his Seoul agent, Chu Kwang-yong, conspired to cheat the Defense Logistics Agency (DLA) out of 6.7 million U.S. dollars between 1991 and last year, the joint military-prosecution team investigating the fraud announced Friday, winding up its two-week probe. The team will shortly ask the Korean Embassy in Paris to file a formal accusation of fraud against Fuan with the French Government but will suspend the filing of

formal charges against Chu as he went abroad just before the case surfaced in mid-December.

For their negligence, which resulted in no action in spite of the non-arrival of 90mm recoilless rifle ammunition one year and seven months after payment was made and in no steps to prevent Chu's flight from the country, disciplinary action will be taken against former and incumbent DLA directors, the announcement said.

Four DLA officials involved in the scam have been arrested on charges of neglect of duty, forgery of documents and taking bribes. They are Army Col. Yun Sam-song, Navy Capt. To Chong-il, and civilian employees Hong Kol-hui and Yi Myong-ku.

Yang Kyu-sok, operating officer of United Shipping Co., was arrested for having forged a bill of lading for Chu and Fuan to withdraw the payment for the non-existent shells from the Korea Exchange Bank's Paris Branch.

Of the 6.7 million dollars they swindled out of the DLA, just 630,000 dollars was found in Chu's bank accounts in Seoul, the announcement said.

As the investigation is complete, the Defense Ministry will reform the defense procurement system by the end of June to strengthen the function of foreign procurement and transfer as many domestic procurements as possible to the office of supply.

In addition, the Ministry will lay legal grounds for strictly punishing arms dealers who break a contract.

New DLA Director Named

*SK0701065994 Seoul YONHAP in English 0648 GMT
7 Jan 94*

[Text] Seoul, Jan. 7 (YONHAP)—The Defense Ministry on Friday fired Lt. Gen. Yi Su-ik as director of the Defense Logistics Agency (DLA) effective Saturday in connection with its investigation of a scandal involving false purchases of artillery ammunition. The Ministry immediately named Maj. Gen. Yim Sam, Chief of Staff of the ROK Army Logistic Command, to replace Yi.

The joint military and civilian prosecution team investigating the fraud announced Friday that it was perpetrated by French arms dealer Jean-Rene Fuan and a Korean intermediary, Chu Kwang-yong.

Fuan, 53, and Chu, 52, who fled the country shortly before the start of the investigation, defrauded the Defense Ministry of 5.3 billion won using forged documents, the prosecution team said.

In a related development, the Ministry said that it will form a committee for reform of the defense system between Jan. 10 and Feb. 28.

The committee, to be chaired by Superintendent of the Korea Military Academy Chang Song, will be divided into two subcommittees with one investigating the Yulgok military buildup project and the other probing military supplies.

President Cited on Hopes for Results of Reform

*SK0701031594 Seoul YONHAP in English 0237 GMT
7 Jan 94*

[Text] Seoul, Jan. 7 (YONHAP)—President Kim Yong-sam, in the second year of his administration, wants to show "tangible benefits" of his reform to all the citizens in their daily lives.

"Our reform and change will now have to take place in the areas where the people's lives are directly involved," President Kim said Friday while presiding over a meeting of cabinet ministers and leaders of civic groups at Chongwadae.

"We have succeeded in laying down a broad framework for reform through the disclosures of personal assets of public officials and real-name financial transaction system," Kim said.

"From now on, reform will have to be carried out on a broader scale, based on the foundation we laid last year," he said.

Reform for the citizens' daily lives, the president explained, should be aimed at establishing a community of an advanced nation, where its efficiency and productivity is maximized and where the people are generally satisfied with their lives.

Kim, speaking at New Year's press conference Thursday, laid down the action outline for his administration: "The government must be able to visibly reduce all forms of inconvenience to citizens with a spirit of service. It must also seek out and help people in need."

It was obviously a step forward for President Kim, who must have realized that he could not go on receiving popular support of the people by just continuing his campaign to wipe out corruption and official irregularities.

His administration has to work for positive results that could immediately be felt by the people.

"Reform for living," Kim told Friday's meeting, "is directly connected with the welfare of the people."

The meeting was attended by Prime Minister Yi Hoe-chang, his cabinet, heads of government agencies, provincial governors and leaders of large private social organizations.

What President Kim was saying was that since he completed diagnosis of "the Korean disease" in the first year of his administration, he has to start curing it through a brave and determined series of operations. His administration has to work to offer its people a safer, cleaner environment to live, an environment for pleasant living.

President also wants to build a much more orderly and honest society and help the people change their way of thinking and give them a proper and correct sense of values in life.

"We cannot join the ranks of advanced nations," Kim said, "unless we have got rid of large man-made disasters,

waste disposal problems, crime and violence, drugs and juvenile crimes, conspicuous and wasteful spendings on luxurious things, traffic congestion and collective selfishness. All citizens should come to realize that law and order are meaningful only when they are observed by them, and freedom and individual rights can be enjoyed only after they have carried out their duty and responsibility," he said.

Government To Develop Measures To Fight Inflation

*SK0701052894 Seoul YONHAP in English 0500 GMT
7 Jan 94*

[Text] Seoul, Jan. 7 (YONHAP)—The government and its Democratic Liberal Party (DLP) agreed in a policy consultation on Friday [7 January] to prepare a package of anti-inflation measures before lunar New Year's day, Feb. 10. The package will include strong controls over cartel practices such as price fixing by automakers and measures to stabilize the prices of personal services. They also agreed to revise the five-year new economy plan to ensure steady growth on the basis of freer business activities in the private sector.

Under the revision, the government will no longer set goals for macroeconomic indicators, such as growth, inflation and balance of payments, from this year.

Also agreed to in the meeting, where Economic Planning Minister Chong Chae-sok led the government team and chief policymaker Yi Se-ki headed the DLP team, was a plan to study measures to pave the way for companies to pay bonuses in shares or convertible bonds instead of cash.

The government will take legal steps to encourage corporations to invest in infrastructure, while deregulating the capital market further so that listed companies have easier access to markets for rights issues and corporate bonds.

It will also prepare, by the end of March, a plan to raise 15 trillion won for rural development, which President Kim Yong-sam promised in his New Year press conference. They agreed to study positively a plan to allow corporations to introduce foreign commercial loans for capital investment.

Korean Cars Popular in Russia Due To Low Cost

*SK0701024594 Seoul YONHAP in English 0154 GMT
7 Jan 94*

[Text] Seoul, Jan. 7 (YONHAP)—South Korean cars are popular in Russia because of their relatively low cost at a quality similar to Japanese and European cars, sources in Korea Trade Promotion Corp. (KOTRA) and automakers said Friday. Korean cars sell for 5,000 U.S. dollars to 7,000 dollars less than their Japanese and European counterparts in Russia.

Because Hyundai and Kia opened dealerships in Russia last year, and are able to sell new cars here, and because Daewoo and Ssangyong are seeking sales outlets, exports to Russia are expected to be over 10,000 cars this year, the

sources agreed. Hyundai Motor Corp. exported 1,500 cars to Russia last year and plans to double the amount this year. Daewoo Motor Co., which shipped 1,816 cars to Russia last year, expects to triple the number this year after setting up sales outlets.

Kia Motors Corp., which insists on cash payment, sold 200 cars on the Russian market last year, and anticipates exporting 500 this year.

Korean cars are exported to Russia under Generalized System of Preferences (GSP) status and subject to a tariff of 12.5 percent, half the amount levied on Japanese and European cars. In addition, they gained price competitiveness from the strong Japanese yen.

"Because the roads are bad in Russia, cars need to be tough and cold-proof and Korean products are assessed to have equal qualities of those of Japan, the United States, Germany, and Sweden in that respect at a lower cost," a KOTRA official said. While other foreign cars cost between 15,000 dollars and 20,000 dollars each, Korean cars are sold at 8,000 dollars to 15,000 dollars.

YONHAP Notes Statistics on Container Traffic

*SK0701071394 Seoul YONHAP in English 0636 GMT
7 Jan 94*

[Text] Seoul, Jan. 7 (YONHAP)—Container traffic on direct lines between South Korea and China will surpass that on routes between Korea and Japan this year for the first time, the Korea Maritime and Port Administration said Friday. Korea-China routes handled 215,000 teus (twenty-foot equivalent units) last year, up 67.9 percent from 1992, and will carry 350,000 teus this year, up 62 percent from 1993. Korea-Japan lines took 306,000 teus in 1993, virtually unchanged from 305,000 teus in 1992, and this year will haul 332,000 teus.

China will be in second place in containerized cargo with Korea for the first time this year, after the United States but ahead of Japan.

Korea and America exchanged 680,000 teus last year.

There are bright prospects for container traffic between Korea and China due to the rapid growth of china's external trade, which has expanded more than 20 percent annually since 1985, and the ever-expanding Korean investment in China. The first direct line between Korea and China opened in 1989.

Shipbuilders Face 'Challenge' From Japan

*SK0701034794 Seoul YONHAP in English 0246 GMT
7 Jan 94*

[Text] Seoul, Jan. 7 (YONHAP)—South Korea's shipbuilders defeated their Japanese rivals to make Korea the country with the largest volume of ship orders last year, but face a formidable challenge in holding on to the top spot this year. Industry insiders say that Mitsubishi Heavy

Industries has received orders for five 300,000-ton very large crude carriers (VLCC) from Saudi Arabia's state-run oil company.

Many shipbuilders around the world had competed for the Saudi Arabian VLCC fleet contract since it was announced in late 1991. In 1991, when the world shipbuilding market was booming, a VLCC was priced at 115 million U.S. dollars, but Mitsubishi cut its price to below 90 million dollars. The orders for five VLCCs, totaling 1.5 million tons, alone represent one-fourth of the 6.5 million tons of orders placed with Japanese shipbuilders in all of last year.

Kawasaki Heavy Industries and other Japanese yards have received enough orders in the last month or two to keep them busy all year thanks to their stepped-up promotional programs and the yen's decline against the dollar.

The sources say Korean shipbuilders, who enjoyed a sharp price edge over their Japanese rivals on the rising yen last year, must now cut their prices to compete with the technologically-advanced Japanese yards as the yen is now falling.

Encouraged by their boom last year, Hyundai Heavy Industries and Samsung Heavy Industries are planning to expand their dockyards for building VLCCs, and this is feared to put domestic shipbuilders in cut-throat competition for the world VLCC market of about 20 vessels a year.

* DLP, DP Preoccupied With Internal Problems

942C0044A Seoul WOLGAN CHOSON in Korean
Dec 93 pp 214-220

[By Kim Chong-nae of CHOSON ILBO]

[Text]

Incompatible Party Lines

Both the ruling and opposition camps are absorbed in wrangles over party lines. This phenomenon set in as soon as the audit-and-inspection drive, carried on by new government since its launching seemingly for the liquidation of the past, somewhat slowed down. On the other hand, it is also true that the disputes effectively put the brakes on the drive and the reform movement in both their speed and width.

The party line disputes are likely to reach all the way up to the Kim Yong-sam government. They are something totally new to the nation's political history which is run through with confrontations between "power and relationship."

Needless to say, it is also a fact that the party line dispute is a double-edged sword in that it is a very risky experiment that can produce a fatal impact on the whole spectrum of the political situation.

The dissensions within the ruling camp including the Democratic Liberal Party [DLP] led to controversies over whether to extend the current audit-and-inspection drive,

and to a government-opposition dialogue, a leadership-level dialogue, and further to abortive National Assembly sessions. The disputes centered on two factions in the DLP—the RDP [former Reunification Democratic Party] faction dedicated to reforms and its rival, the DJP [former Democratic Justice Party] faction.

Although it was not open, the most serious of the disputes within the ruling camp was over the method of reform. In late March, when three lawmakers, including former National Assembly speakers Pak Chun-kyu and Kim Chae-sun, were forced to retire from politics and Reps. Chong Tong-ho and Yim Chun-won left the DLP—all in the swirl from the public disclosure of properties—the handwriting was on the wall. The former ruling forces led by the DJP faction protested that the crackdown on "the past" is outrageous. They unanimously insisted that "reforms should be carried out in accordance with law and system." "The audit-inspection drive against selected targets as in the cases of 'targeted investigation' and 'individual investigation,'" they charged, "points to a possible ulterior motive." They contended that the crackdown was politically motivated, that it targeted members of the DJP and NDRP [former New Democratic Republican Party] factions and on ex-military leaders.

However, under the pressure of the prevailing circumstances, their voices faded before having any chances of stirring an open debate. The reformists of the RDP faction brushed off the charges as "a nonsense." The group argued that reforms are inevitable and that the political purification under the keep-the-upstream-water-clean slogan is one thing that has to be done even if there are differences over the method. It also argued that to say that the past should not be questioned is to say that there should be no reform.

The factional difference continued and it came to the fore at every opportunity. The so-called "policy shift controversy" was a variation of the party line dispute. Whenever President Kim Yong-sam issued a new "declaration," it prompted different interpretations between factions.

The first clash came over the president's policy speech to the National Assembly on 22 October. The speech, focusing on "the future," suggested the unity of the two forces—the "Han River force" which performed the Han River economic miracle and the "democratization force." Leaders of the former ruling factions took it as a signal for a policy shift. They welcomed it. "The abominable audit-and-inspection drive is nearly over," they said. Further, they saw the president's references to the unity of the two forces as the show of an intent to form a new ruling force unattached to the past. However, it was not the case with the reformist group. "Shelving the reforms? No way. ..." The reform program is the central, keynote policy of the new government, they insisted, and therefore it will be firmly kept in place through to the end of the President Kim's tenure. They warned against "distorting the meaning" of the president's speech. Chongwadae's response was even stronger. It usually jumps to its feet whenever there is a talk about a policy shift.

Trends were even more obvious after the 8 November Chongwadae meeting held to push for a new economy, in which President Kim called for the "building for the future." The former ruling faction saw it as a "policy shift" but Chongwadae officials explained the next day that "any interpretation suggesting a policy shift is at variance with the fact."

At Feud Over Everything

The dispute between Reps. Yu Song-hwan and Kim Yun-hwan over the latter's past record was a case typifying the difference over "the past" between the RDP and DJP factions. At a 12 October National Assembly Education Committee hearing on the administration of the Education Ministry, Yu questioned the past record of Kim, the virtual leader of the DJP faction.

He dropped a bombshell by saying "How about inviting Rep. Kim Yun-hwan to this hearing? He was a member of the Yujonghoe in the National Assembly [in the Pak Chong-hui era] and the head of the Chongwadae staff in the Chon Tu-hwan government. In the No Tae-u government, he served as the minister of state and the floor leader of the ruling party. I propose that we ask him what prompted him to do what he did in those days and what sort of patriotism he has these days to justify what he is doing now."

The DJP faction flew into a rage when Yu's remarks were reported. The faction was seized with group psychology, contending that if that should be a sin, there would be no one clean in the DJP faction. The RDP faction and even Chongwadae worked feverishly to allay the fury. According to a widespread observation, however, the episode eventually proved to be a contributing factor to about 36 "rebellious" votes cast by DJP faction members in a vote on a proposal for the release of Reps. Kim Chong-in and Pak Chol-on.

Kim Yun-hwan made no open rebuttal of Yun's remarks. He only expressed his feeling by saying that "the important thing is not the position a person held in the past but what he did in that position." In the RDP faction, while some accused Yu Song-hwan of a "grandstand play," it was an undeniable fact that many others basically shared the same feelings with Yu.

Similarly, the record of Chairman Kim Chong-pil became an issue. Although there has been no formal debate inside or outside the party, the RDP faction—the reformist group in particular—openly discussed an image of incompatibility between "reform" and Kim Chong-pil, a former "key leader of the 5.16 [16 May, 1961, coup] force." Then came the controversy over the qualification of former Secretary General Choe Hyong-u as member of the party Supreme Committee, sparking dissensions within the DLP. In the wake of that controversy, calls for changing the party chairman are not about to subside. The squabbles over the presidential decree that prohibited financial transactions using false names or aliases and the follow-up measures, plus the wrangles over the key economic policies and the

government's foreign and unification policies, have all added to the political line disputes within the ruling camp.

The party line disputes, when viewed from a wider perspective, extend all the way to the North Korea issue, the nuclear issue in particular. Some DLP members of the National Assembly Committee on Foreign and Unification Affairs would assail cabinet members, particularly Foreign Minister Han Wan-sang, at every party-government session, and even at the committee's meetings in the National Assembly, for the government's appeasement policy toward North Korea. Some even accuse Han of espousing a peculiar ideology.

Meanwhile, other lawmakers criticize the government's political lines, charging that some presidential secretaries belong to the activist camp and have connections with *chaeya* [reformist camp] groups. They would argue loudly at private gatherings that no leftist or progressive reform has ever succeeded. Those presidential secretaries, they argue, have given the impression as if the government were being pushed around by them and, as a result, business communities are left unable to dispel their uneasiness. And the uneasiness is making an economic recovery impossible, they add.

Political Line Dispute in the DP, Too

The Democratic Party [DP] under the Yi Ki-taek leadership is also seized with a serious case of party line dispute. In the configuration of its internal factions, however, the DP today is markedly different from what it used to be. First of all, factions became far more complicated and diverse. Groupings, large and small, cropped up after the retirement of Kim Tae-ung from politics, while many former *chaeya* activists have raised their collective voices against conservative cliques within the opposition camp. A more important change since the launching of the Kim Yong-sam government is the fact that diverse voices began to be heard on the role of an opposition party and that polemics on the political line thus started are heating up as days pass by.

Opposition parties in the past also had their shares of the party line dispute. And such disputes proved to be a leading factor drawing the line between the mainstream and the nonmainstream. But in those days, the dispute was structurally simple. It was over how to fight a seemingly formidable dictatorial regime. Thus, it led to the polemic on a clear-cut opposition party, which remains a legacy of the opposition camp. This is not to say that there were no differences within the opposition over economic and other policies. Such arguments, however, were obscured by the absolute proposition—the overthrow of the dictatorial regime.

Things have changed now. It is true that the various policies successively announced by the Kim Yong-sam government under the banner of reform triggered numerous disputes over their contents and speed and the method of implementation; however, they reflected the "opposition's perspective" of the past to some degrees. This drove the opposition into a new situation in which it

was compelled to tackle the question of how to deal with the new government—more specifically, how to respond to the policies of the new government. In this sense, the past 9 months were an ordeal and experiment for the DP. Amid this ordeal and experiment, wrangles over the party line in various areas came to the fore in full details, without being obscured by an overthrow-the-dictatorship slogan as was the case with the opposition in the past.

The dissension is essentially different in nature from the "clear-cut opposition party" debate in the past. In the past, the question was who resists the dictatorial regime more staunchly. The focus of internal struggle now shifted to who can develop policies that can captivate the hearts of people and who can cultivate the capabilities to take power. Anti-government struggle is no longer the only task of an opposition party. The opposition is confronted by the new task of self-help and self-development. Unveiling itself to the full in the face of the new task is the "difference in philosophy" which had been dormant within the opposition and which could spawn a long-term intraparty discord if not handled properly.

This is not to say that the DP is all through with the obsolete "clear-cut opposition party" polemic. A typical example in this respect is the joint session of party executives and legislators of the DP held on 3 November in the National Assembly. At the session, Kim Sang-hyon, leader of the nonmainstreamers, who lost to Yi Ki-taek in a runoff vote in the DP national convention in March, launched a frontal attack on Chairman Yi Ki-taek's political line ("New Line"). He said:

"I do not think that the Kim Yong-sam government is a civilian government. Have we ever defined it a civilian government as a consensus of the party? It is a government created by a collusion with the military government in the three-party merger. Therefore, President Kim Yong-sam can be called a civilian president but the Kim Yong-sam government cannot be called a civilian government. Presently, the people think that the opposition is missing and drifting. We should take on the Kim Yong-sam government as an object of reform. We must not cling to or be sucked into the reform program of the Kim Yong-sam government. During the parliamentary inspection of the administration, Chairman Yi said that the DP would shelve the drive for the liquidation of the past and instead focus on the economy. I do not mean to say that the economy can be put on the back burner, but his speech contained no alternative plans for a positive liquidation of the past nor an agenda of opposition struggle.

"Most important is the liquidation of military culture. Morality cannot be established without the liquidation of the past. We are running the risk of playing bridesmaid to the Kim Yong-sam government. The Kim Yong-sam reform is a deception as long as an ex-leader of the 5.16 coup stays on as DLP chairman. As long as the ex-leader of the 5.16 coup remains as DLP chairman, it is necessary for us to cut off official contacts with the DLP and maintain unofficial contacts, and to lead on the public opinion."

Earlier, on 28 September, DP Chairman Yi Ki-taek told reporters that he would "put greater emphasis on the economy of the people than on the liquidation of the past." And in the subsequent National Assembly speech, he declared the future-oriented party New Line. Kim Sang Hyon was attacking the announced party line. It is a "strategy running the risk of reducing the opposition to a bridesmaid's role for the Kim Yong-sam government," he charged.

At the joint session that day, Yi Pu-yong, member of the Supreme Committee, spearheaded the attack. He is the leader of a reform group in the DP led by former *chaeya* activists. He said:

"There was a conflict in substance between Chairman Yi's National Assembly speech and the interpellation by DP legislators, causing confusion to considerable degrees. During the parliamentary inspection of the administration, while legislators requested the presence of many witnesses, the chairman held that we should not bring in too many businessmen as witnesses, causing a disarray among them. Furthermore, it is a problem that the chairman declared that there would be no linkage between the liquidation of the past and budget and reform legislation."

More scathing criticisms were heard at a general meeting of DP lawmakers held the next day. Chang Ki-uk, a member of the reform group, referred to the "clear-cut opposition party polemic," a vulnerable point of opposition leaders in general. He cited the cases of Yi Chol-sung, former chairman of the New Democratic Party, who proposed a middle-of-the-road merger but had to give it up and resign as chairman, and Yi Min-u, former president of the New Democratic Party, who, during the struggle for direct presidential election system in the Fifth Republic days, adopted a lukewarm attitude toward the ruling party's offensive for cabinet system and was eventually ousted from first-line politics by the two Kim's [Kim Yong-sam and Kim Tae-chung]. "The lesson is that the opposition party should have a clear-cut goal," he insisted.

The nonmainstreamers and ex-*chaeya* activists thus attacked Chairman Yi. Never had their offensive been stronger. Their focus was on parliamentary strategy. More basically, however, their criticism unveiled the deep-rooted difference over the Kim Yong-sam reform and the opposition's response to it. Collectively, they demand that the DP leadership recognize clearly the limitations of the Kim Yong-sam reform as a spinoff of the three-party merger and launch a more clear-cut struggle against the ruling party. They are questioning the attitude of Chairman Yi Ki-taek in this respect.

Diverse Perspectives in the DP

Their mounting offensive against him took some of the starch out of Chairman Yi Ki-taek. Earlier, he had shown a rejection of the word "linkage" between pending political issues and a National Assembly agenda, but he has modified his line a bit. He now says that he is "prepared for a

linkage." The National Assembly proceedings are currently revolving along this line of the opposition.

Then, how far can the nonmainstreamers go with their political line offensive? The history of the opposition parties shows that in a number of cases, forces that led the struggle for the cause of "clear-cut opposition party" emerged triumphant in the end. Then, does the latest party line dispute in the DP after all belong to that category? It is difficult to find an answer to that question. One thing is clear, however, and it is that judging from the trends, it is not necessarily the same as the cases in the past. There are signs everywhere that it is not.

First of all, the circumstances surrounding the opposition have changed. How it should fight the government remains its problem. But more importantly, the public demands that the opposition transform itself in conformity to the change of the times. The days are gone when people applauded the DP for its uncompromising, hard-line struggles. The DP learned its lesson from the results of its refusal to attend the inauguration of the president and its controversial boycott of a by-election. On the other hand, the public reaction to Chairman Yi's National Assembly speech was relatively affirmative, unlike the uproar it sparked among the nonmainstreamers and *ex-chaeya* activists.

Moreover, the "clear-cut opposition party" polemic in the past usually involved scandals of behind-the-scenes bargains with the ruling camp. Whenever the opposition slackened the reins of its anti-government struggle, rumors circulated had it that there were bribes or that they struck a secret deal. Morality of opposition figures, rather than their political lines, were the issue. That has now changed. Today, the line itself is literally the issue.

The fact that the political line, not morality, has become the issue means that a total victory or defeat has become an impossible thing in the political game. It means that one can compromise but no one can force his or her plan on others.

A typical example is the new system outlawing the use of false names and aliases in financial transactions. The DP has formed an anti-DLP front under a single, umbrella slogan—"Alternative legislation be enacted." The removal of the umbrella would expose two conflicting currents, however, including one demanding that the system be operated and reinforced in a more reform-worthy direction. If it were the old opposition party, and if the system should still be in the stage of a hypothetical one, the demand could have surely been applauded as an attitude befitting an opposition party. It was not the case this time. Many insisted that "the government plan should be eased up drastically in line with economic theories." Some lawmakers openly charged that "YS [Kim Yong-sam] is preoccupied with his popularity in disregard of the threat of an economic collapse." They even appeared to be painting a picture of "true courage" of themselves.

The controversy over the new financial system did not stop at it but escalated into a debate covering the whole

spectrum of the economy. Members of an Economic Justice faction led by *ex-chaeya* activists argued that only when there is economic justice can there be a long-term economic recovery. They pay relatively greater concerns to the problems of workers, farmers and the urban masses and to the justice of distribution. On the other hand, realists on the economy contend that the pressing task of our economy is to improve its competitiveness at world markets and to revitalize itself. Chairman Yi's New Line is an indication that the latter have become a major force in the DP.

Chairman Yi's New Line is condensed in his 27 October National Assembly speech. He said in it: "Our economy is confronted by an overall crisis. It is bogged down in a serious, long-term recession. At a time when we are in what may well be called an unlimited economic war, we are growing increasingly uncompetitive as days go by."

The key words in that speech were "the 21st century" and "improvement in the nation's competitiveness." And to that end, the speaker stressed the pressing need for internationalization and the promotion of science. All these expressions and the consciousness behind it were impossible to find in the opposition party textbook in the past. Although the speech was later criticized by the nonmainstreamers from their standpoint of parliamentary strategy, it was positively received by far more people in the party on the day it was delivered. Many of them found the speech fresh because it was the first attempt to push the opposition's perspective to the horizon of the future and an alternative plan.

In fact, that the opposition leader focused on the future rather than the past, on alternative plans as well as on criticisms, was not the only important thing about the speech. It offered a confirmation that the New Line transcends the old framework of the opposition in its awareness of the economy and the future course of the nation.

Therefore, the party line dispute over Chairman Yi's New Line essentially takes on the appearance of a confrontation over the "difference in perspective." So, it can be said that the dispute is, in its nature, difficult to resolve.

In addition, the factional interests inside the DP are complicated. When former Chairman Kim Tae-chung led the opposition, he could manage the diverse forces in the party, ranging from the conservative to the progressive, and keep them together. He could do so in part thanks to his charisma, but it is also true that the circumstances at the time were in his favor. First of all, it was then imperative that the opposition should be united if it was to take power. The reverse is the case now. The DP today has neither a powerful, established leadership nor a target clear enough to rally against. Especially, the present factions in the DP are still in the phase of internal struggle and, consequently, preoccupied with gaining the control of the party. Thus, the wrangles over the political lines both in the DLP and the DP have emerged as a major factor making the whole picture of the political situation instable.

With regard to future political developments, the political line disputes currently going on in the ruling and opposition camps are of extremely important significance and nature.

First, in view of the inherent nature of the "political line," results of the disputes are likely to become a key factor determining future political territories.

Moreover, they will seriously influence the political positions and careers of everyone, be it the primary parties in the disputes (or political factions) or the onlookers. The disputes will extend into the upcoming series of major political agendas, beginning with the DLP national convention scheduled for May next year.

Second, the political line dispute is different in its nature from the competition for a position which is temporary and limited in scope. Inasmuch as it is a confrontation over principle and theory involving both the outlook on the present political situation and the blueprint for the future, the former takes on far more complicated and serious features than the latter. Although the disputes at the moment appear to be limited in scale, it is highly

possible that they will further expand and intensify—depending on developments in the situation.

Third, in consequence of these possibilities, the political line disputes are working as an element of political instability, at the moment at least.

Based on these points, it should be noted that the current disputes in the political circles have an element in that could possibly lead to a political realignment by their "internal" energy for the first time in the nation's political history. Every transformation made by the political circles in this country to date were by the "force from outside."

But the current developments in the disputes are different in that they are of internal origins in every aspect. Especially, it should be noted that unlike his predecessors, President Kim has few effective means at his disposal to control the political forces. In addition, considering the local autonomy elections scheduled for 1995, the 15th general election to be held in 1996, and the 1997 presidential election, the president has, strictly speaking, only one year before the first of these things begins. In that sense, too, politics under the Kim government will revolve around the political line disputes as its main axis, rather than factional strife. It seems that it cannot be otherwise.

Burma**Myo Nyunt Views Security, Political Issues**

BK0701041494 Rangoon Burma Television Network in Burmese 1330 GMT 6 Jan 94

[Text] Lieutenant General Myo Nyunt, member of the State Law and Order Restoration Council [SLORC] and chairman of the Yangon [Rangoon] Division Law and Order Restoration Council [LORC], held a meeting with the chairmen of district and township LORCs at the conference room of the Yangon Division Law and Order Restoration Council Office at 0800 this morning.

Speaking at the meeting, Lt. Gen. Myo Nyunt said that the SLORC has assumed state responsibility for five to six years and that those present should not take their work lightly, but should discharge their duties with a new spirit and personnel in the new year of 1994 to strive for greater improvements. Lt. Gen. Myo Nyunt noted that it has been six months since the positions of chairmen of township LORCs, formerly held by military officers, have been held by personnel from the Department of General Administration. As former members of the LORCs, the new chairmen of the LORCs have no difficulty in discharging their duties, but they need to work with enthusiasm.

Lt. Gen. Myo Nyunt said the SLORC government is holding the National Convention for the emergence of the State Constitution in order to transfer state power to the people in accordance with democratic means as soon as possible. Training courses are being held to prepare for the administrative machinery, which will emerge in the future. Those who have undergone the training need to work in accordance with the motto: Quantity with Quality. They will be able to prove their ability in the workplace.

As they work in the capital city of Yangon, they will be under the constant scrutiny and supervision by state leaders and close observation by their immediate departmental superiors at township and district level. They should bear this in mind in their work.

Lt. Gen. Myo Nyunt said that in implementing the three major tasks of the SLORC, they should observe the following five factors:

1. Always strive to know who are the old and new residents in their respective areas;
2. Inspect the area under one's jurisdiction both publicly and incognito;
3. Move around unnoticed like wind in order to assess public behavior and the situation in districts and townships;
4. Do not engage in four kinds of improper conduct; those who become rich in a short time become poor in a short time; those who are wicked do not have enough to eat, those who are honest have more than enough to eat. Therefore, honestly and diligently work.
5. Discharge diligently one's duty.

Their constant duty is to ensure the prevalence of law and order and peace and tranquility. The basic task of the state

is to promulgate and execute the existing laws and maintain the capabilities of the Defense Services.

Regulations on traffic, roads, and trading are being violated in some townships. There are muggings and robberies by gangs and trafficking and consumption of narcotic drugs. It is necessary for chairmen and members of district and township LORC's to act with care in order to ensure the prevalence of law and order.

The government is building roads where there are mountains and bridges where there are streams as part of its effort to ensure good transport and communications and to develop the country, including border regions. Irrigation projects are also being implemented to bring greenery to the regions. They need to cooperate with the development committees in various areas for road repairs and to build drainage and reclaim land.

A Shan proverb says: Look after one's land in one's country; it will be developed and prosperous one day. Accordingly, it will be necessary to give priority to agriculture.

Lt. Gen. Myo Nyunt said some who do not desire peace and tranquility in the city of Yangon and some power-mad politicians, who have entered the business sector with help and assistance from spies, are manipulating the market to keep prices high and thereby instigate the hungry into creating unrest. District and township LORCs must be vigilant against this and strive to satisfy the people's need for food, clothing, and shelter. Those who are manipulating prices on the assumption that commodity prices will fall if the price of rice falls will have to face the consequences.

Lt. Gen. Myo Nyunt also said that security should not be overlooked. He said special care should be taken to prevent the disappearance of the language, religion, and nation and it will be necessary to open monastic schools and conduct courses on Buddhist culture.

Colonel Thura Myint Maung, deputy chairman of the Yangon Division LORC, then participated in the discussion and chairmen of district and township LORCs presented the situation in their respective areas.

In his closing address, Lt. Gen. Myo Nyunt said the National Convention will resume on 18 January 1994. He explained that the eight groups had achieved the basic principles for the 15 chapter headings at the convention and that when the convention resumes, discussions will be held to obtain firm basic principles for each chapter. He said the Union Solidarity and Development Association [USDA] has been formed with five objectives, basic principles, and a code of behavior to strive for the emergence of a developed and modern state. Branches have been formed in divisions, districts, and townships. He urged those present at the meeting to give necessary assistance for the successful implementation of USDA programs and to serve in the USDA.

General Aung San said: Think and work for the reconstruction of Myanmar [Burma] and the preservation of our

nation. Heroes plan and work to make our nation become powerful. Lt. Gen. Myo Nyunt said that there are currently some political parties with a tendency to depend on things foreign—this could lead to the disappearance of the nation. Likewise, among the business sector there is the tendency to depend on things foreign as can be seen in the signboards with foreign names they put up. The meeting ended after Lt. Gen. Myo Nyunt said that although names of townships, wards, and streets bearing English names and names of traitors had been changed during the SLORC administration, there are those who put up the foreign names and they must be duly informed.

SLORC Plans Additional Trade Gateways

*BK0501151794 Rangoon Radio Burma in Burmese
1330 GMT 5 Jan 94*

[Excerpts] A coordination meeting to expand gateways for regular trade with other countries through border towns was held in Yangon [Rangoon] at 1300 today in the meeting hall of the Army commander in chief's office. Lieutenant General Maung Aye, deputy commander in chief of defense services and Army commander in chief, attended and delivered a speech. [passage omitted]

Lt. Gen. Maung Aye explained that the state is collectively implementing the market-oriented economy, so this meeting was called to identify new markets quickly for exports and to expand gateways for regular trade with other countries in accordance with economic planning objectives. Maung Aye noted that to develop trade, constructive discussions should be made on regular trade with other countries, not only from the border towns of Tachilek, Wantong, Muse, Tamu, Maungdaw but also from the coastal towns of Kawthaung, Mergui, Moulmein, Bassein, and Akyab. Continuing, the Army chief said since it is the fourth quarter of the financial year, it is the time to review achievements in various economic sectors.

Next, SLORC Secretary-2 Lt. Gen. Tin U, National Planning and Economic Development Minister Brig. Gen. Abel, Trade Minister Lt. Gen. Tun Kyi, Agriculture Minister Lt. Gen. Myint Aung, Finance and Revenue Minister Brig. Gen. Win Tin, Livestock Breeding and Fisheries Minister Brig. Gen. Maung Maung, Forestry Affairs Minister Lt. Gen. Chit Swe, Transport Minister Lt. Gen. Thein Win, and Energy Minister U Khin Maung Thein presented suggestions.

The meeting concluded at 1530 after a closing speech by Lt. Gen. Maung Aye.

It has been learned that in order to develop trade swiftly and to upgrade border trade to regular trade, efforts are being made to officially open the border towns of Tachilek, Wantong, Muse, Tamu, Maungdaw and the coastal towns of Kawthaung, Mergui, Tavoy, (?Kyaukyedwin), Ye, (?Zib-yugon), Bassein, and Akyab as gateways for trade in the near future.

Brunei, Malaysia & Singapore

Brunei

Minister on Expanded Central Asia Ties Via Iran

*LD0601151294 Tehran IRNA in English 1358 GMT
6 Jan 94*

[Text] Tehran, Jan. 6, IRNA—Bruneian Foreign Minister Hajj Mohammed Bolkiah said in the Bruneian capital of Seri Begawan Thursday that his country is interested in expanding relations with Central Asian states through Iran.

In a meeting with the visiting Iranian deputy foreign minister for Asia-Pacific, 'Ala'eddin Borujerdi, Bolkiah said that Tehran and Seri Begawan hold common stances on major international issues and that Brunei was interested in further expansion of mutual relations.

Bolkiah thanked his Iranian counterpart 'Ali Akbar Velayati for inviting him to visit Iran and said that opening of the Bruneian Embassy in Tehran was a sign of his country's determination to upgrade relations with the Islamic Republic of Iran.

The two officials exchanged views on international and regional developments as well as bilateral relations.

Borujerdi described the upcoming visit to Tehran of Bruneian King Hajj Hassanah Bolkiah as a major step in promotion of bilateral relations.

Malaysia

Radio Hails Japan Acceptance of EAEC Concept

*BK0701103894 Kuala Lumpur Voice of Malaysia in
English 0800 GMT 7 Jan 94*

[Station commentary]

[Text] The Malaysian-mooted and ASEAN-endorsed proposal for the formation of the East Asian Economic Caucus, EAEC, appears to have gained a boost by a report from Tokyo that Japan is ready to accept the concept. It is clearly a reversal of Japan's previous stance towards the idea and this is certainly welcome news for the six-member ASEAN.

Japan's change of mind apparently comes as a result of the establishment of the North American Free Trade Agreement or NAFTA which came into effect last weekend. Previously Japan had been non-committal towards the caucus idea for fear of hurting its largest trading partner, the United States. The U.S., under George Bush, had been vehemently opposed to the establishment of the EAEC because it knew that it would left out of the EAEC.

However, the present U.S. Administration under President Bill Clinton had been more receptive to the EAEC concept. So, Japan naturally has come to terms with the caucus as a means of achieving a diplomatic balance in the

Pacific Rim region in the way from the expansion of economic ties between the U.S., Canada and Mexico.

The historic summit of the heads of state of the Asia Pacific Economic Cooperation in Seattle last November clearly showed that the U.S. was pushing for leadership of the 17-member body. Now, we have the European Economic Union or EEU and NAFTA looming large to become exclusive trading blocs. How then will East Asia fend for itself? The EAEC seems to be the right answer. The idea of the caucus, mooted by Malaysian Prime Minister Dr Mahathir Mohamed three years ago, came about after the Uruguay Round of GATT talks had failed to produce the result as was scheduled in 1990. Japan had previously thought that the EAEC idea would jeopardize the global trade talks. Now that the Uruguay Round has been successfully completed, Japan is in a position to reverse to its previous stance towards the EAEC.

The EAEC, as have been repeatedly pointed out by ASEAN leaders, is certainly not aimed at being an exclusive trading bloc. It is aimed at being a loose consultative forum where member countries can discuss economic issues of common concern and cooperate with each other for their mutual benefit. ASEAN countries have already committed themselves to an (?indifferent) free global trading system. Any of its member countries is free into bilateral trade with any other country of its choice.

Malaysia and ASEAN welcome the Tokyo report that Japan has declared its support for the EAEC concept. The caucus will become even more meaningful and fruitful if more East Asian countries like China, South Korea, Taiwan and Hong Kong declare their support and join the EAEC to make the region the most dynamic in the world.

Hiring Freeze Placed on Foreign Workers

BK0701131094 Kuala Lumpur BERNAMA in English 1053 GMT 7 Jan 94

[Text] Port Dickson, Malaysia, Jan 7 (BERNAMA)—Recruitment of unskilled and semi-skilled workers from abroad has been frozen temporarily from Friday by the Malaysian government.

Deputy Home Minister Megat Junid Megat Ayob said the directive was issued by Prime Minister Dr Mahathir Mohamed, who is also Home Minister, at a meeting with officials of the ministry, immigration department and police Thursday.

The freeze is also to enable the government to assess the total levy that can be collected from foreign workers, he said to reporters after closing a national seminar on education for parent-teacher associations here.

However, he said, the employment of professionals could still be considered as there was a shortage in the country.

He said there were now an estimated 200,000 illegal immigrants either working without work permits or roaming in the country without valid travel documents.

In addition, there were foreigners being held at temporary immigration detention centres for working without valid permits.

He said the police and immigration department would soon step up operations to detect illegal immigrants in estates, construction sites and factories.

Those caught without any travel documents will be deported as soon as possible, he said.

Cambodia

Chea Sim Backs Secessionists for Assembly

BK0701152094 Hong Kong AFP in English 1424 GMT 7 Jan 94

[Text] Phnom Penh, Jan 7 (AFP)—Cambodia's powerful Chairman of Parliament Chea Sim endorsed Friday a controversial request from the Phnom Penh party to reinstate as members of parliament (MP) two hardliners who resigned their seats to lead a secessionist movement.

"I believe that the request will be accepted by all MPs in the spirit of national reconciliation," Chea Sim told AFP.

However, the move was adamantly opposed by many MPs from the royalist FUNCINPEC party, several MPs confirmed. One of those at the centre of the controversial request is Prince Norodom Chakrapong—half brother and bitter foe of co-premier Prince Norodom Ranariddh—who was deputy prime minister in the former communist Phnom Penh regime. The other is the former National Security Minister General Sin Song.

The two resigned their seats in parliament to lead a secessionist movement to protest against the Cambodian People's Party's loss to FUNCINPEC in the U.N.-supervised polls in May.

The movement collapsed within a few days and the leaders' seats in parliament were subsequently occupied by other CPP representatives as the former battlefield foes formed a coalition government.

The prince and the general, however, recently reappeared out of the political wilderness claiming they wished to "serve the nation" and indicated they wanted to return to their seats in parliament.

Chea Sim expressed his hope that the party leaders would instruct their members to approve the move beforehand so the reinstatement would not meet opposition in parliament. But FUNCINPEC MP Ahmad Yahya said it was "illegal" to let the two men back into the assembly as the constitution prohibited it. The constitution states that in the case of death, resignation or dismissal of an MP, "another representative shall be chosen to replace him or her". Another royalist MP deemed the move against the law.

"Normally the law would not allow for the return of these two persons to the National Assembly, but Chea Sim counts on the spirit of national unity to accept these two persons back," he said.

"Formally speaking the law does not allow this and he acknowledges this."

Although ardently opposed to move, the FUNCINPEC MP said he was a "disciplined party member" and would abide by the official party line on the matter.

When asked what the official line was, cabinet director to co-premier Prince Norodom Ranariddh Ly Thuch had no comment.

Party Secretary General and Minister of Foreign Affairs Prince Norodom Sirivut was unavailable for comment. But MP Ahmad Yahya said there was no room for compromise on the issue.

"Even if the party agrees on it, I am going against it," he said. "I do not want to do something illegal and I believe many others will support me".

Another FUNCINPEC MP said the two hardliners were "blackmailing" the party leadership to get their seats back.

"Chakrapong and Sin Song threaten that if they are discarded from power, they will reveal many things bad to the CPP mainstream," he said. "They're blackmailing them."

The radical Khmer Rouge claimed the attempt to rehabilitate the two secessionists proved that the government was still under the control of the leaders of the former Phnom Penh regime—despite the fact Prince Ranariddh is co-premier and FUNCINPEC is the largest party in the coalition government.

By appointing "traitors, killers and corrupt officials" as MPs, the government was "eating the flesh, drinking the blood, and sucking the marrow from the Khmer people's bones", a Khmer Rouge statement said.

Kompong Speu Could Face Food Shortage

BK0701053894 Phnom Penh AKP in French 0400 GMT 7 Jan 94

[Text] Phnom Penh 7 Jan (AKP)—The province of Kompong Speu, some 50 km west of Phnom Penh, could suffer a food shortage of more than 60,000 tonnes in 1994, according to the local agriculture service.

This shortage is caused by prolonged drought that devastated thousands of hectares of rice. During the rainy season the province put a total area of 65,000 hectares under rice cultivation or 65 percent of the plan.

Nearly 30,000 hectares have been harvested with an average yield of over a tonne per hectare compared to a tonne and a half in the previous year.

This year's rice production would be around 65,000 tonnes which could feed the province's population of 465,000 for only four months, says the same source.

December Khmer Rouge Defections Reported

BK0701115494 Phnom Penh AKP in English 0950 GMT 7 Jan 93

[Text] Phnom Penh AKP January 7—One hundred and eighty seven Khmer Rouge soldiers left in last December their rank and reported themselves to the provincial authorities of Kompong Cham, Kompong Chhnang, Pursat, Battambang, and Kompong Thom, bringing along 14 assorted guns and a quantity of ammunition.

Only two months of August and October 1993, the government received more than 3,000 officers and ranks-and-files of Khmer Rouge faction. They brought along a thousands of assorted arms and tonnes of ammunition.

At present, 500 defectors are joining the royal armed forces and two of them have been offered general ranks.

Between August and September 1993, the provincial authority of Kompong Thom welcomed 600 Khmer Rouges who bring along 400 assorted arms.

Companies Pursue Telephone Network Projects

BK0701113694 Phnom Penh AKP in English 1000 GMT 7 Jan 93

[Text] Phnom Penh AKP January 7—At least 15 companies have applied for a slice of a lucrative domestic telephone contract being offered by the Cambodian Government, a local newspaper reports Wednesday.

The contract would provide provincial telephone systems at 20 sites throughout Cambodia.

The networks would be linked to the \$30-million satellite system installed in late 1991 by the U.N. Transitional Authority (UNTAC) that policed a peace pact in the country, the English-language Cambodian daily said.

Before the Australian Company Telstra-OTC installed the state-of-the-art UNTAC satellite system, the only working phone network in Cambodia was an antiquated domestic one in Phnom Penh.

The newspaper quoted Cambodian Minister for Post and Telecommunications So Khun as saying: "There is real interest in the UNTAC satellite system. We have received 15 applications, and I have already had five companies knocking on my door to find out what (we) will be offering."

According to So Khun, licenses to operate on the UNTAC facility would be awarded in April.

Cambodia currently has four mobile phone systems in operation, mostly set up by Thai companies but with one from Malaysia.

The 22,000-strong UNTAC force was deployed in Cambodia after the signing of an international peace agreement in Paris in 1991.

German Envoy Presents Credentials to Chea Sim

*BK0601054594 Phnom Penh AKP in English 0422
GMT 6 Jan 94*

[Text] Phnom Penh AKP January 6—German Ambassador to Cambodia Von Treskow Wiprecht presented here Wednesday credentials to Acting President Chea Sim.

Speaking to German ambassador, Chea Sim affirmed that the German ambassador's mission was very important in strengthening and development the ties of friendship, solidarity and cooperation between Cambodia and Germany.

The acting president also expressed thanks to the government and people of Germany who have assisted Cambodia in its national rehabilitation and reconstruction.

Since the re-ascension to the Cambodian throne of King Norodom Sihanouk on August 24, 1993, four countries have assigned their ambassador to the Kingdom of Cambodia, including the Republic of China, the Kingdom of Thailand, the Russian Federation and the Federal Republic of Germany, and their credential letters were already presented.

Two more ambassadors to the Kingdom of Cambodia, including the Egyptian and Filipino ambassadors, will present their credentials to the Cambodian leader soon.

Indonesia**Minister Concerned Over DPRK Nuclear Issue**

*BK0501130894 Jakarta Radio Republik Indonesia
Network in Indonesian 1200 GMT 5 Jan 94*

[Excerpts] Minister and State Secretary Murdiono addressed a news conference in Jakarta this afternoon. He said that Indonesia believes a solution to the nuclear crisis in the Korean peninsula will boost mutually beneficial economic cooperation and ties among the countries of the world. At the same time, it will also contribute to the creation of world peace, security, and prosperity.

Continuing, Minister Murdiono explained that Indonesia, as chairman of the Nonaligned Movement [NAM], has been monitoring the issue of the nuclear program with concern. The NAM chairman [President Suharto] is concerned about the postponement of the third round of negotiations between the DPRK and the United States, the direct talks between the DPRK and ROK, and the talks between the DPRK and the International Atomic Energy Agency. On the occasion, Minister Murdiono said that the NAM chairman sent Nana Sutresna to the DPRK in December 1993 as the NAM's representative to advise the authorities on how to solve the issue through negotiations. [passage omitted]

According to Murdiono, the NAM representative has been assigned to continue monitoring developments surrounding the nuclear issue in Korea.

Alatas Welcomes Reported Japan Stance on EAEC

*OW0701085894 Tokyo KYODO in English 0804 GMT
7 Jan 94*

[Text] Jakarta, Jan. 7 KYODO—Indonesian Foreign Minister Ali Alatas welcomed Japan's reported support for a proposed East Asia Economic Caucus (EAEC) after it had previously shown a cautious stance to the idea, the state-run news agency ANTARA reported Friday [7 January].

It quoted him as saying Thursday, "I'm grateful to hear of Japan's commitment."

In its Wednesday edition, a leading Japanese daily, the ASAHI SHIMBUN, quoted unidentified government officials as saying that Japan has decided to "commit itself" to the regional forum after the North American Free Trade Agreement (NAFTA) came into effect on January 1.

Japan had been guarded in its support for EAEC, proposed by Malaysia, because the United States, its major trading partner, was against the idea, fearing it would be excluded.

Malaysia's Prime Minister Mahathir Mohamed stayed away from an informal summit meeting of the Asia-Pacific Economic Cooperation (APEC) forum in Seattle in November.

Alatas said a ministerial meeting in Singapore last year of the Association of Southeast [Asian] Nations (ASEAN) agreed to include the EAEC in the APEC framework. "So, the EAEC is not a threat to the APEC," he said.

ASEAN had accepted the caucus as an economic consultative forum, Alatas said, adding that APEC "more or less" agreed to the East Asian forum.

Potential members of EAEC are the six ASEAN countries—Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand—and China, Hong Kong, Japan, South Korea and Taiwan.

APEC comprises these countries plus Australia, Canada, Mexico, New Zealand, Papua New Guinea and the U.S.

Laos**Attache To PRC Khamla Views Economic Ties**

*BK0701115794 Beijing China Radio International in
Lao 1230 GMT 4 Jan 94*

[Interview with Khamla Keophithoun, economic attache of the Embassy of the Lao People's Democratic Republic in the PRC, by an unidentified reporter in Beijing; date not given—recorded]

[Excerpts] [Reporter] How are you, Mr. Khamla? First of all, we would like to thank you for granting us an interview. In 1993, China and Laos have continued to carry out restructuring and have made satisfactory achievements. Therefore, as the old year is ending and the new year

approaching, could you please brief us on achievements of Laos in restructuring and in economic development in the past year?

[Khamla] [passage omitted] According to the announced figures, the GDP has increased by six percent. The total production of each sector can be categorized as follows: food supply production was 1,448,900 metric tons; agricultural production increased by 4.5 percent; industrial and handicraft production increased by 9.2 percent; electricity output increased by 17 percent; processed industrial products increased by 10 percent; and services increased by 6.9 percent. [passage omitted]

Goods transportation by land, water, air, and sea has been developed. The number of private enterprises and partnerships has increased rapidly, thus making the distribution of goods into every part of the country possible. The volume of goods transported has increased by eight percent, while the volume of goods in circulation increased by 10 percent compared to 1992. [passage omitted]

On the trade balance, in the past year the volume of goods in circulation in the local market increased by 10 percent. The total value of goods exported was U.S. \$220 million. This represents a 34-percent increase from 1992 and four percent above the year's target. Total imports were valued at U.S. \$385 million, an increase of 13 percent.

Banking has been efficiently managed and the government was able to keep the amount of loans under control. At the same time, the exchange rates between the Lao kip currency and foreign currencies were stable.

A new mechanism have been introduced to finance. Specifically, efforts were made to clearly separate the two roles in management thus making the state financial system unified and centralized. This has contributed to the implementation of a mechanism that is in line with the open-door policy, the setting of a balanced budget, the establishment of a national treasury, and the improvement of tax collection methods. A number of major rules and regulations have been laid out to make the finance and budget managements gradually conform with the new mechanism. [passage omitted]

[Reporter] In 1993, China and Laos exchanged more friendship visits than in previous years, while economic and trade cooperation increased noticeably. Therefore, could you please brief us on this issue? What do think about economic and trade cooperation in the future?

[Khamla] We can say that both China and Laos in 1993 exchanged more friendship visits than in any previous year. This is because Laos and China are close neighbors; the peoples of the two countries have enjoyed the traditional solidarity, friendship, and good relations since ancient times; their mountains, forests, and rivers are linked to each other; their weather and natural resources are also similar. All these are favorable factors for ties and cooperation. [passage omitted]

Over the past four to five years, economic and trade cooperation as well as border trade, have increased considerably. Trading has increased from only a few kinds of goods in the past to more than 300 at present. Two-way trade volume has increased from only US\$5 million to US\$6 million per annum in the past to US\$30 million a year at present.

There have been economic, and science and technology cooperation projects carried out in various ways and means and participated in by several economic sectors. The process of cooperation involved the provision of gratis aid, interest-free or low-interest loans for construction of hydropower electric plants, or the development of agriculture, forestry, and the rural economy.

On cooperation in the expansion of industry or in mining exploration, many Chinese companies have been awarded contracts for the construction of roads, airfields, hydropower electric plants in the northern, central, and southern regions of Laos, with a combined total cost of more than US\$60 million.

Over the past four years, the PRC has invested a total of US\$21,914,000 in 34 projects in Laos. In 1993, the PRC invested in 17 projects worth more than US\$13 million.

To enhance future economic and trade relations and cooperation, although both countries have had similar experiences, I believe each country has some unique qualities and different conditions and levels of development. Despite differences, both have similarities in many aspects, such as geographically, in natural resources, in labor, funding, science and technology, and in the lessons of socioeconomic development and other fields.

I believe that along with the relations and cooperation between the potential markets, Laos and China will be able to find basic sectors, projects, forms, and methods of cooperation that can serve as strategies and key factors for firm and lasting cooperation. I believe both countries are jointly considering basic, lasting, and key cooperation projects in several fields. These are integrated agriculture; forestry; processing industry for export; hydropower; mining; geology; construction materials; communications and land, water and air transportation; and tourism. [passage omitted]

Our country is the country of peace, stability, and social order. Its location is important as the international community is interested in development projects in this region, some of which are the Golden Quadrangle development project; the project to link Asian transportation routes—roads, railways, waterways; the Mekong River waterways transportation project from the watershed in Tibet to Vietnam. [passage omitted]

Trade and the economy have very important roles for Lao-Chinese ties and cooperation. In this regard, all concerned agencies of each side will have to make efforts not only to increase production but also to consider the natural resources of each country, as well as the trade balance. They will also have to take into account various main

strategic projects, ways to increase prosperity, and international competition. For example, border provinces may cooperate in agricultural cultivation, animal husbandry, logging and timber processing, reforestation, mining, the expansion of processing industries, the renovation of transportation routes, and tourism development through various ways and means. Regarding capital, they may discuss loan procurement from different places for established projects so that they can be completed within a suitable time-frame.

With this concept, I fervently hope the organizations concerned, PRC businessmen and investors, as well as those from other friendly countries will intensify their cooperation with the LPDR to bring about real benefits and glorious success to all sides. [passage omitted]

Prime Minister Sends Sympathy to Thai Counterpart

BK0701081394 Vientiane KPL in English 0700 GMT 7 Jan 94

[Text] Vientiane, January 7 (KPL)—Khamtai Siphandon, prime minister of the Lao People's Democratic Republic, on January 4, sent a telegram of sympathy to his Thai counterpart, Chuan Likphai, over the great damages in lives and properties in the southern provinces of Thailand.

Khamtai Siphandon expressed sympathy and profound sorrow to Chuan Likphai and through him to the Thai government and people and especially to the families of the victims.

He also hoped that with a great effort of the Thai government and people, the losses would gradually be healed and the life in the inundated areas would turn to normal soon.

Pact Signed on Technical Surveys With SRV

BK0701072994 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 7 Jan 94

[Text] A ceremony was held yesterday to sign a memorandum on a preliminary survey to collect data to prepare for technical training projects in three Laotian regions.

Dr. Sikhamtat Mittalai, director of the Universities and Vocational Education Department of the Ministry of Education, represented the Lao side while the Vietnamese side was represented by Professor (Dan Ba Lang), director of the Research Institute of Higher Education and Vocational Education of the SRV's Ministry of Education and Training.

The ceremony was signed in the presence of Thongvan Phitsavat, chief of the Office of the Ministry of Education, and a number of Lao and Vietnamese technicians.

Vietnam sent four experts to Vientiane to implement the 1994 cooperation plan between the two education ministries. The experts will join three Lao Ministry of Education technicians to conduct a survey to collect various data and

information in preparation for the launch of technical training projects in northern, central, and southern regions of Laos.

From 23 December 1993 to 6 January 1994, Lao and Vietnamese technicians jointly will conduct a preliminary survey in the southern region of Laos. The survey will be made in Champassak, Sekong, and Saravane Provinces to pave the way for further surveys in the second stage.

Former Politburo Member Phoumi Vongvichit Dies

BK0701130494 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 7 Jan 94

[Announcement by LPRP Central Committee, the National Assembly, the LPDR Government, and the LFNC Central Committee on the death of Phoumi Vongvichit—dated 7 January]

[Text] The Lao People's Revolutionary Party [LPRP] Central Committee, the National Assembly, Government of the Lao People's Democratic Republic [LPDR], and the Lao Front for National Construction [LFNC] Central Committee are deeply saddened to inform the multiethnic compatriots of all strata, cadres, party members, and combatants of all armed forces throughout the country that Comrade Phoumi Vongvichit, adviser to the LPRP Central Committee, former Political Bureau member of the Central Committee, former acting president of the LPDR, former chairman of the LFNC Central Committee, and former deputy prime minister and minister of education, sports, and religious affairs, passed away at 0822 today of a heart attack. He was 85 years old.

For many years, Comrade Phoumi Vongvichit suffered heart disease. The party and state organizations have attentively taken care of him and provided him with all medical treatment, both at home and abroad. But, as he was old and suffered chronic heart disease, he has left us forever.

Comrade Phoumi Vongvichit was a competent and talented leader and an indomitable revolutionary combatant who sacrificed all his intelligence and energy until the last day of his life to the past cause of struggle for the national independence and freedom of our Lao people, as well as the cause of defending the new system and building the country in the new stage. Comrade Phoumi Vongvichit scored great achievements for the party, state, nation, and people. His demise is considered a great loss which has brought grievous sorrow and mourning to our entire party, Army, and people.

To express gratitude and mourning for Comrade Phoumi Vongvichit, the Central Committee, National Assembly, government, and LFNC Central Committee have agreed to announce six days of nationwide mourning. Regulations on the mourning will be announced separately. The public is hereby informed.

[Signed] The LPRP Central Committee, the National Assembly, the LPDR Government, and the LFNC Central Committee

[Dated] Vientiane, 7 January 1994

Ministry Predicts Extensive Rice Shortages

BK0601144394 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 6 Jan 94

[Text] According to an Agriculture and Forestry Ministry news release, rice yields in many provinces fell below the targets this year due to considerable losses caused by severe natural disasters. Rice production figures this year are almost the same as those in 1991—the year in which central and southern rice fields were devastated by floods. The natural disasters were felt in almost all provinces. Some provinces were ravaged by floods, while others suffered drought or pests. As a result, many provinces, such as Savannakhet, Sayaboury, Saravane, Bolikhamsai, Houa Phan, and Luang Prabang Provinces, are expected to face rice shortages. As for Champassak, Attapeu, Luang Namtha, Vientiane, and Khammouane Provinces, they are expected to be self-sufficient in rice.

The Agriculture Ministry also reported that this year the national shortage is expected to be approximately 299,520 metric tons of paddy or 179,712 metric tons of rice. It is estimated that some 350,000 people in the cultivated areas and fallow land destroyed by pests are expected to face rice shortages beginning in the middle of the year.

Khammouane Shortage Expected

BK0701092394 Vientiane KPL in English 0711 GMT 7 Jan 94

[Text] Vientiane, January 7 (KPL)—Last year, the rice harvest of both dry and rainy seasons in Khammouane totalled 76,986 tons of paddy. The second rice crop's turned out 3,856 tons while the highland rice farming yielded 1,430 tons.

According to an official of the local agriculture service, the output may not meet the demand in consumption of 230,000 residents in this central province. Accordingly, rice shortage is likely to loom over the province for two months this year.

The shortfall in rice production in Khammouane was due to severe floods, drought and pests which damaged 3,321 ha [hectares] of farmland.

In compensation for the losses, the agriculture service has encouraged for the cultivation of starchy crops and for rice farming on 154 ha with an expected yield of 4.45 tons of paddy per ha.

Philippines

Flaws in Defense Pact With U.S. Reviewed

BK0701043794 Manila MANILA STANDARD in English 1 Jan 94 p 6

[Text] When the 1947 Military Bases Agreement ended in 1991, the Mutual Defense Treaty (MDT) became the avenue for continuing security relations between the Philippines and the United States.

How effective and fair is the MDT to either side? Like the other treaties between the two countries, the MDT favors the United States and is disadvantageous to the Philippines.

Negotiated at the height of the Cold War, the MDT was signed in 1951, a time when the Philippines was at its weakest, as it was then recovering from the effects of the last world war. The United States was at its mightiest, after emerging fairly unscathed in the battle of major powers.

The Philippines had no choice because it badly needed U.S. support to rebuild its war-ravaged economy.

Although the MDT was anchored on the two countries' common determination for defense against external attack and for strong efforts for collective defense to preserve peace and security in the Pacific area it contains two main provisions deemed disadvantageous to the Philippines.

The first is the issue of automatic response; the second, the scope of "metropolitan area."

The MDT's Article IV states: "Each party recognizes that an armed attack in the Pacific area on either of the parties is dangerous to its peace and safety and declared that it would act to meet the common dangers in accordance with its constitutional processes."

Critics of the treaty admit that the issue of automatic response in case of an attack in Philippine territory is not guaranteed in the Article, as the phrase "in accordance with constitutional processes" signifies.

Filipino military officials regard the absence of automatic response in case of an aggression on the Philippines as psychologically disadvantageous since similar treaties which the United States has entered into with South Korea and North American Treaty Organization (NATO) countries guarantees such automatic response.

Article V states: "An armed attack on either of the parties is deemed to include an armed attack on the metropolitan territory of either of the parties, or the island territories under its jurisdiction in the Pacific Ocean, its armed forces, public vessels or aircraft in the Pacific."

According to critics, this provision assures U.S. military action only on attacks of Philippine territory. But it excludes other areas, particularly part of the Spratlys, of which the Philippines exercises historic or legal right.

Since the Spratlys are now a potential "flashpoint" in Asia, mainly because of the territorial claims of several other

nations, this provision means that the Philippines could not expect anything from the United States in case any of the claimant-nations uses military action in annexing the Spratlys portion, which it regards as part of Philippine territory.

Critics said President Fidel Ramos should have sought a clarification from U.S. President Bill Clinton about these two particular provisions in their one-on-one meeting at the White House in Washington.

Official: CEPT Implementation Still Inadequate

BK0701020994 Manila BUSINESS WORLD in English 31 Dec 93 p 2

[By Ramoncito P. De La Cruz]

[Text] With only a year before its application, the Philippines still has yet to harness its capability to competently implement the Common Effective Preferential Tariff (CEPT), Bureau of Customs Commissioner Guillermo L. Parayno, Jr. admitted recently.

In an interview, Mr. Parayno told BUSINESS WORLD hardly any of his staff has been trained to effectively implement the CEPT, a set of lowered tariffs for products which contain 40 percent ASEAN indigenous products in the intra-regional trade route. The tariff scheme is set to take effect starting tomorrow. However, the Philippines was able to get a one-year deferment as it has its own set of tariff reduction scheme under Executive Order 470.

Based on the agreed CEPT rates these products will be subjected to 30 percent if they are processed goods, 20 percent if intermediate products, and 10 percent if raw materials. After 15 years, three rates will be further scaled down to only a maximum of 6 percent.

The crux of the implementation of the CEPT will be in verifying if the import fall under the purview of the program.

"I have to be honest with you," he told BUSINESS WORLD, "we are not organized as of now...I believe that it is going to be a very difficult for the BoC [Bureau of Customs]... But with the amount of work I have, I haven't given it a thought on how to control it."

According to Mr. Parayno, "What gives me the creeps is the possible extent of fraudulent and inaccurate certification, it will affect customs revenue to the effect that transshipment from other countries not covered by AFTA [ASEAN Free Trade Area] passing through AFTA countries, but will be certified as from AFTA."

It must be noted that since Singapore, a free port area where goods from any part of the world can enter freely, has tasked its private sector groups, specifically the business chambers, to certify the origin criterion of all its exports out of the country into its trading ASEAN partners. Some observers pointed out that since the Singaporeans will have no interest in outbound goods the certification might be done haphazardly.

Despite the urgency of the matter, the bureau has yet to identify which among the divisions will handle the implementation of CEPT.

However, Mr. Parayno hinted he might coordinate with local business chambers, as they stand to lose due to uncontrolled influx of cheap goods, to countercheck the verifications given by their counterparts in other countries as one possible solution.

At present, the bureau is in the thick of computerizing its whole port operations and privatizing the release and disposing of seized goods.

Navy Plans Anti-Poaching Work, Acquisitions

BK0701054094 Manila MANILA BULLETIN in English 1 Jan 94 p 7

[By Wilma N. Yamzon]

[Text] The Philippine Navy said yesterday it will deploy more boats in the country's major fishing grounds to deter poaching, piracy, and illegal fishing.

Vice Adm. Virgilio Q. Marcelo, Navy chief, revealed his plans to intensify the campaign to stop the unauthorized exploitation of the country's waters to discourage foreign fishing boats from poaching and crack down on dynamite and cyanide fishing.

He added that the Navy started installing cameras and satellite-based positioning equipment on naval planes.

The Navy chief said this will resolve complaints on the lack of documented evidence against poachers and illegal fishermen to push their prosecution in court. He said that while the Navy gets many reports on intrusions, the government cannot press its case against violators without strong evidence.

The Navy chief outlined his other goals, including the acquisition of a second U.S. built logistic support vessel (LSV), the construction of a third 140-foot "Aguinaldo Class" patrol boat, the strengthening of search-and-rescue (SAR) capabilities, and the increase in the "steaming time" of Navy patrol boats and "flying time" of naval patrol planes.

Marcelo said the Navy will sustain its programs to produce a "lean and compact, efficient and cost-effective organization," including boosting the reservist program.

Meanwhile, in his 1993 accomplishment report, Marcelo said the Navy conducted 2,171 patrols and 205 sealift missions, including its transport services to Batanes where there is no commercial shipping traffic.

Navy ships have been transporting food, medicine, and other basic commodities, and construction materials used for government projects in Batanes.

In counter-insurgency operations, Navy and Marine soldiers killed 27 rebels, captured 212 others, and recovered 47 firearms, mostly from secessionist "Lost Command" groups in Mindanao.

Marcelo said the Navy seized over P275 million [Philippine pesos] worth of smuggled goods, including the interception of P150 million worth of "shabu [methamphetamine hydrochloride]," its biggest single haul this year.

The Navy also seized 108 vessels for illegal fishing and another 60 vessels for transporting illegally cut logs.

NPA Commander's Death Not To Affect NDF Talks

BK0701074394 Quezon City PTV-4 Television Network in Tagalog 0500 GMT 7 Jan 94

[Text] The recent death of former New People's Army [NPA] Commander Victor Martinez will not affect the coming peace talks between the government and the National Democratic Front [NDF]. This was the statement made by Congressman Jose Yap.

Yap said that until the identity of the killer of Martinez is known, its death should not be a destabilizing factor in the peace process.

According to Yap, there is a possibility that the killer of Martinez is NPA. If the military is behind the killing, it is acting on its own. It has never been the policy of the government to kill anyone leading a rebel group.

Army-NPA Skirmish in Aklan Violates Truce

BK0701042494 Manila THE MANILA CHRONICLE in English 1 Jan 94 p 1

[By Frank Longid Jr.]

[Text] Government troopers and communist rebels fired at each other in Aklan early this week, the first breach so far of the 17-day unilateral cease-fire declared by the government and the shorter truce declared by communist rebels themselves.

Military reports said soldiers of the 47th Infantry Battalion led by 2d Lt. Fernando Rey battled 15 New People's Army (NPA) insurgents near Barangay [village] Malindong, Iba-jay.

At least one soldier was killed and another wounded, with undetermined casualties on the side of the rebels.

Two Huey helicopters were sent to evacuate the government casualties while an MG-520 gunship provided fire support.

The reports said the rebels were believed to have come from a meeting held during the 25th anniversary of the Communist Party last Sunday.

The reports said Army troopers were chasing after the rebels.

The guidelines for the truce released by Defense Secretary Renato De Villa ban soldiers from going on offensive operations, including combat patrols. They may, however, take purely "defensive actions."

In Cagayan, an NPA rebel was captured while being treated in a hospital. He was identified as Benigno Caru, alias Ka [Comrade] Louie, whom the military believes belongs to a rebel group operating in the Zinundungan Valley.

Caru was moved to a government hospital where he could be better guarded, the reports said.

The arrest was made possible by citizens who reported Caru's presence to the Lasam town mayor who in turn informed the Army's 65th Infantry Battalion.

De Villa had said that while the cease-fire is in effect from 21 December to 6 January, all rebels, including communist insurgents, can freely move around the country as long as they do not carry firearms.

There was no mention in the report of any firearm found on Caru.

Military officials were unavailable for comment.

Davao Suspects Missing, Christian Retaliation

BK0701062594 Quezon City MALAYA in English 1 Jan 94 pp 1, 7

[By Joy Gruta and Chit Estella]

[Text] Two suspected members of the Abu Sayyaf Group who were earlier arrested by police authorities in connection with the series of bombings in Davao City are reportedly missing.

And to complicate matters, higher police authorities in Davao denied having arrested the suspects identified as Abdul Munib, and Jacob Ibrahim. The extremist Abu Sayyaf Group was held responsible for a series of kidnappings and bombings in Mindanao last year.

Senior Inspector Tranjirol Ainin, Sta. [Santa or Holy] Ana Patrol Station Commander however, insisted he led a team of more than 20 operatives which swooped down on Treasure Inn, where Munib and Ibrahim were billeted Tuesday night. The inn is just a kilometer away from the San Pedro Cathedral.

Ainin said Munib had been positively identified by five witnesses as one of three armed men who lobbed one of three grenades inside the cathedral Sunday night, which killed seven persons and injured 150 others.

The Sta. Ana police commander said the two were also among 25 Tausugs rounded up near the cathedral at about 10 PM Tuesday.

He said intelligence reports had also tagged Munib and Ibrahim as being part of the group which planted a bomb at the Fortune Inn in Davao which killed three persons in 1992.

Presidential Peace Adviser Oscar Santos warned against immediately attributing the spate of Mindanao bombings to religious fanaticism, saying this could unwittingly encourage a religious war.

Santos said: "For the sake of the innocent population of Davao, let us move cautiously so as not to ignite further violence. We do not know if the bombings are religiously motivated."

"We may be imputing a Muslim-Christian conflict where there is none."

Earlier, Senior Superintendent Teddy Carian, regional police chief, said a group calling itself the New Christian Democratic Army claimed responsibility for the attacks on three Muslim mosques allegedly in retaliation to the bombing of the San Pedro Cathedral. The claim was made in telephone calls made to newspaper offices and radio stations in Davao City, he said.

President Ramos hailed leaders of multi-sectoral organizations of Davao City for joining hands with government in its resolve to put an end to the spate of violence in that city.

"The people of Davao City have shown us how the people, united and working together, can deal with irrational elements out to sow fear and hatred particularly during the holiday season," he said.

Reward for Bombers' Capture

BK0701020594 Manila THE MANILA CHRONICLE in English 31 Dec 93 pp 1, 6

[By Frank Longid Jr. and Nelson Bagaforo]

[Text] The Philippine National Police (PNP) is offering a P500,000 [Philippine pesos] reward for any information that will help solve the bombings in Davao City or lead to the arrest of the bombers.

Director Pantaleon Dumlaog, PNP deputy chief for operations, said the reward hopefully would encourage reluctant witnesses to cooperate fully with the police.

The witnesses could even request anonymity, according to PNP Director General Umberto Rodriguez.

A senior police officer said the reward was put up because the PNP still cannot clearly establish which group or groups carried out the bombing of the San Pedro Cathedral in Davao City and the subsequent explosions at three mosques.

The police announced on Wednesday the arrest of two suspects in the cathedral attack.

Intelligence reports indicated the two suspects, Abdul Munib and a man identified only as Jacob, belong to the Abu Sayaf, a Muslim extremist group. This has led police to deduce the Abu Sayaf is behind the bombing of the cathedral.

But the police official said the police is "still looking" for more solid evidence against Munib and Jacob. So far, investigators are going by intelligence reports which said that the two arrived in Davao City from Jolo via Basilan on the last week of November along with 23 other Abu Sayaf members.

"Even if the Abu Sayaf really is responsible for the attack on the cathedral," the source said, "there is still the matter of solving the bombing of the mosques."

One police official in Davao is certain both the attacks on the cathedral and on the mosques were made by only one group.

This group, according to Senior Superintendent Teddy Carian, police regional director, is out to sow chaos in Mindanao.

"There exists a group that is out to create chaos between our Muslim brothers and Christians. Their targets are religious structures," Carian said.

During the joint meeting yesterday of the Regional Peace and Order Council and the Regional Development Council, Carian said the bombers have only one objective: "Open a rift and create animosities that will open hostilities between Christians and Muslims in Mindanao."

Carian and Davao Mayor Rodrigo Duterte also denied two Muslim men have been arrested as suspects in the cathedral bombing.

"So far, there are no apprehensions made. No one is under our custody," Carian said.

"We are not in a hurry. We haven't arrested a single suspect," Duterte said.

It was Senior Inspector Tadgiro Ainin, the Santa Ana police chief, who announced the arrest of Munib and Jacob, who was positively identified by at least five witnesses.

Carian said, "The same criminal groups which initiated these bombings in the first place," and a so-called "New Christian Democratic Army," which claimed responsibility for the attack on the three mosques, was part of this group.

"I should not wonder if later on, there will be another group claiming to be anti-Christian group," he added.

Thailand

Tharin To Discuss Amity Treaty With Bentsen

BK0701012594 Bangkok THE NATION in English 7 Jan 94 p B1

[Text] To sound out the Asean position on the Asia-Pacific Economic Cooperation (Apec) forum, Thailand has proposed hosting a meeting of the Asean finance ministers two weeks before the meeting of Apec finance ministers, which is tentatively scheduled for April.

The site of the meeting is expected to be Phuket, where the Malaysian minister has informally expressed a willingness to go, according to an official who asked not to be named.

Prior to the meeting, Finance Minister Tharin Nimmanhemin is likely to raise the financial aspect of the Apec

forum at a meeting with US Treasury Secretary Lloyd Bentsen, during the latter's visit to Thailand from Jan 17-19.

Thailand will ask the Apec finance ministers to maintain the original objective of Apec, which is to act as a trade and investment consultative forum. Tharin is likely to suggest to his Apec counterparts that they discuss the latest global financial policy and also sort out the obstacles hindering world trade, and how to resolve these problems.

The US and some developed Apec countries earlier informally suggested the Apec finance ministers meet and discuss how to integrate the "harmonization system" and the customs code among the Asia-Pacific nations. The proposal was opposed by some Apec members on the grounds that the pace of cooperation might be too fast.

Tharin, meanwhile, said that he would put a double taxation treaty and financial liberalization high on his agenda during the upcoming meeting with his US counterpart.

Bangkok and Washington have failed to come to terms on the double taxation agreement for 20 years, and Tharin stated that he would accelerate the negotiations for the benefit of the two countries.

During Bentsen's visit, sources said that both sides are likely to discuss the two remaining points: the licensing fee and tax exemption for the international transportation business.

Bentsen is also expected to urge Bangkok to do more to bring down the barriers in the financial sector for the benefit of US business, but Tharin said: "Thailand would have to see the attitude of the US before elaborating on what to do next."

Apart from Thailand, Bentsen will go to China and Indonesia to boost US interests in Asia.

On the offensive front, Thailand is expected to inform the US treasury secretary that it plans to amend or revoke the bilateral Treaty of Amity and Economic Cooperation signed in 1966. The treaty grants privileges to US citizens doing business in Thailand in the same way as Thais, and vice versa. The contentious issue in the treaty is the shareholding structure, which allows US investors to hold more than 25 per cent of local firms, a source said.

Thailand is the only Asean country which has signed such a treaty with the US, and Thai officials earlier expressed an intention to amend the treaty on the grounds that it is outdated and not of benefit to Thailand.

One official said that Thailand is likely to stand firm on the US request for financial liberalization, and will present its liberalization package to show the US the country's progress towards financial reform. Bangkok has often said that it will not do more, as the Uruguay Round of multilateral trade talks did not include agreements on trade in services.

Northern Economy Viewed; 80-100 Projects Started

BK0701015394 Bangkok BANGKOK POST in English
7 Jan 94 p B3

[Text] Chiang Mai—Economic prospects in the North seem bright this year with 80-100 investment projects near fruition. The number of projects launched this year is not likely to be much more than last year's 129, according to Chaiyot Santiwong, director of the Northern Region Investment Promotion Office. This is because of government policy, particularly decentralisation of growth to the provinces, and promotional privileges for the rural zone three.

"Low interest rates, the plan to set up a new industrial estate in Phichit, economic cooperation with Thailand's neighbouring countries and low labour costs have boosted the economy," he said.

Interest-rate levels and government stability have made the country more attractive to international investors, he said.

The global economy is improving slightly, especially in the United States, and the economic and trade policies of former socialist countries have changed positively: Mr Chaiyot sees opportunities for public service infrastructure, hotel, residential building and environmental preservation projects in Chiang Mai, Chiang Rai, Lamphun and Lampang.

In the lower northern provinces, promotional privileges will assist machinery, metal and other industries.

"The establishment of a new industrial estate in Phichit is intended to stimulate competition in the lower North," he said.

The Board of Investment's [BoI's] northern office forecast about 8 percent growth for the northern region this year, compared to 1993's 7.8-7.9 percent.

Last year was seen as a golden time for investment in the North he said. The BoI-approved plans involved total investment of about 1,000 million baht. These created 25,038 jobs.

In 1989, which was seen as a good year, there were 73 projects worth a total of 11,273 million baht. These created 18,208 jobs.

In 1992, only 32 schemes were approved with a total investment of 4,267 million baht. These created 8,749 jobs.

Last year, 100 projects (77.5 percent) were located in the upper North and 29 (22.5 percent) were in the lower North. Thirty-four projects were in Chiang Mai, 30 in Lamphun, 15 in Tak, 10 in Lampang and eight in Chiang Rai. Seven projects were in Nakhon Sawan and five in Phetchabun.

Mr Chaiyot said 35 industrial projects, mostly involving mines, ceramics and metal production, had a combined

cost of 2,688 million baht and created 4,388 jobs. These factories are in Tak, Chiang Mai and Lampang.

Twenty-seven projects involved garments, textiles, shoes and ornaments with a combined cost of 597 million baht. These created 7,886 jobs and are mostly in Chiang Mai, Lamphun or Chiang Rai.

Twenty-one projects were related to infrastructure and services, 19 were agro-industrial factories, 15 were electronics factories, nine involved metal production, machinery, equipment and tools, and three involved petrochemical industries paper and plastics.

Promotional privileges were granted for projects costing a total of 1,795 million baht aimed at the export markets. These created 5,583 jobs.

Mr Chaiyot said Thais spent a total of 7,138 million baht on 92 projects in the North last year. These created 18,777 jobs.

Twelve projects involving foreigners cost a total of 753 million baht and employed 1,768 people. These factories were owned by Japanese, European, US, Taiwan, Hong Kong and Korean interests.

Twenty-five projects were joint ventures between Thais and foreigners. These cost 1480 million baht and created 4,513 jobs, Mr Chaiyot said.

Vietnam

Army Paper Denounces Anti-SRV Religious Groups

BK0701145994 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 6 Jan 94

[Hong Linh article in "recent" issue of QUAN DOI NHAN DAN: "Discordant Voices Under the Pretext of Religion"]

[Text] External anti-Vietnamese forces have tried hard to advance slanderous and distorted allegations against Vietnam in a bid to portray Vietnam as violating democratic principles and human rights. They are looking for excuses to interfere, supposedly to protect human rights in Vietnam. They want to initiate a permanent and long-term anti-Vietnam campaign to foment instability and obstruct our people's national renovation now being initiated and led by the Communist Party of Vietnam.

Of late, taking advantage of the complex situation created by the extremists in the former An Quang Buddhist Church, the external forces have added fuel to the fire. Promptly seizing this opportunity, they have unjustifiably linked the human rights issue with religious causes. They have resorted to every trick to internationalize this issue by taking advantage of foreign forums to give slanderous testimonies against Vietnam.

Earlier, a number of foreign strategists who are unfriendly to Vietnam held that to carry out a long-term anticomunist campaign, it is necessary to rely on the force of

religion. These strategists also predicted that the puppet army, the puppet regime, and other parties would fall apart and that in Vietnam, the religious problem is one of the factors that could be exploited to stir up the situation, and thus create permanent instability.

Taking advantage of religion at home and abroad, a number of people in priests' robes have been and are following the advice of the above strategists. They are allying themselves with one another in setting up various single-religion or inter-faith organizations and committees. Their purpose is to rally and to get external forces to cooperate with internal forces in a bid to pressure other countries and international organizations into intervening or offering help. They have vociferously claimed that at many places—such as in front of the parliamentary buildings of many countries, by the side of the new cathedral of the Rome Missionary College, at the Vienna Human Rights Conference, and at the 1993 youth gathering in Denver—that human rights, with freedom of religion being the most important, are the yardsticks to measure the degree of democracy of a country. Turning to Vietnam, they slander Vietnam for persecuting religion and for violating human rights.

Everyone knows that assisted and agitated by exiles such as Vo Van Ai from France, Thich Quang Ba from Australia, and Thich Ho Giac and Thich Vien My from the United States, a number of evil elements in the An Quang Buddhist Church have done many things at variance with Buddhist scripture. For instance, they have driven a wedge into Buddhist unity. They have written documents distorting the truth and have taken advantage of our open-door policy and our expansion in international exchanges and telecommunications to slip these documents out to the external forces, rigging up a myth about Vietnamese Buddhism crying for help for having suffered from persecution for the second time.

Taking advantage of exiled Buddhists, a number of elements converged on the headquarters of the European Parliament to stage a hunger strike to press the parliament—in session at the time—to pass an anti-Vietnam motion.

Regrettably, due to this pressure, representatives of various groups in the parliament drafted a motion and kept it handy. Citing the petition of the exiled Buddhists as an excuse, the European Parliament issued a motion calling on member countries of the European Coordination Committee to pressure the Vietnamese Government into respecting the freedom of religion.

In early October 1992, sponsored by a number of on-site forces, the Rome-based Central Office of Overseas Vietnamese Catholic Apostle Affairs Committee headed by Monsignor Tran Van Hoai organized an inter-religious ceremony on behalf of various overseas Vietnamese religions such as Buddhism, Protestantism, Cao Dai, and Hoa Hao to pray for peace in Vietnam.

In their speeches, the head delegates all resorted to false arguments to distort the truth, claiming that peace does

not mean an end to or the absence of war. Instead, peace necessitates the respect for human rights, including freedom of conscience and freedom of religion for all individuals and organizations. In their opinion, the objective of this function was to provide each religious group with a chance to think about its responsibility toward the cause of democracy-building in Vietnam. The Cao Dai group ambitiously maintained that since mundane affairs are handled by the United Nations, so should religious affairs. The United Religions may request the United Nations to intervene with Vietnam in the human rights issue. At last, the function gave birth to an extraneous body, the '92 Roma Group, formed by representatives of different Vietnamese religious organizations overseas to continue to give advice to the action program for peace and human rights in Vietnam.

A survey of the history of the Vietnamese revolution indicates that for more than a half a century, the Communist Party of Vietnam has guided the entire people in making the great August Revolution a success, and henceforth, bringing about national independence, civil rights, freedom, people's material and moral welfare, and happiness. With the victory of the two wars of resistance which lasted for 30 years, the nation was reunified and people in both parts of the country now live under the same roof. What was lost due to the division and separation caused by the war of aggression can be recovered in full now through a unified country which opens her arms to welcome everyone, including different religious organizations. The rumors about a bloodbath following the end of the war turned out to be unfounded. We closed a final chapter, conducting educational activities to help those criminals who had participated in the old regime to mend their ways and become useful citizens in society. Afterward, those elements also had the chance to make their aspirations come true by obtaining permission to leave for resettlement in foreign countries of their choices under the ODP [Orderly Departure Program] and HO [expansion unknown] Programs. It could be said that only a few countries in the world have adopted the same humanitarian policy like Vietnam where great importance is attached to human rights and peace whereas repression, retaliation, and bloodshed are nowhere to be seen. These traits mark the traditions and moral values of the Vietnamese people.

Over the past years, in the framework of the renovation policy, Vietnam has opened its doors to welcome all friends and made every effort to integrate itself into the world community. It is Vietnam's policy to befriend all countries of the world. Vietnam has attracted investment to develop the national economy and enhance everyone's material and moral welfare. The people's lives have constantly been improved both materially and spiritually. Society has become more and more civilized with each passing day. The Vietnamese people in general and faithfuls of different religions in particular are making joint efforts to achieve and preserve noble goals, namely genuine peace and respect for human rights that Vietnam has gained and is now making sustained efforts to consolidate.

There is no such things as harsh treatment or discrimination based on religion the outsiders are trying to accuse us of.

In our opinion, those who have left the fatherland and use religion as a pretext to call on Vietnam to show respect for human rights and to look squarely at the truth should follow the examples set by overseas Vietnamese residents who are seeking ways to contribute to national reconstruction, no matter how insignificant their contributions may be. Let them stop clinging to the human rights float as soon as possible and avoid using religion as a smokescreen to cover up their crimes against their fatherland and compatriots.

Prime Minister Outlines Objectives for 1994

*BK0601142594 Hanoi VNA in English 1407 GMT
6 Jan 94*

[Punctuation as received]

[Excerpts] Hanoi VNA Jan. 6—The government held its regular session in Ho Chi Minh City from Jan. 3-6 under the chairmanship of Prime Minister Vo Van Kiet to review its guidance and management in 1993 and consider working programme for 1994. [passage omitted on 1993 achievements]

The government discussed and defined seven groups of tasks of government for 1994. They are:

- To perfect the mechanism and policy in service of economic growth and fulfil the duties approved by the fourth session of the National Assembly.
- To renew and improve the situation of financial, bank, and credit works to meet the demands for development.
- To better solve the socio-cultural problems, such as social evils and employment.
- To promote the struggle against corruption and smuggling, practise thrift, improve social relations and purify the state apparatus.
- To expand diplomatic relations and external economic relations.
- To enhance national defence, political security and social order.
- To determine undertaking reorganization, streamlining administrative apparatus, training personnel and adjusting the style of work.

Hanoi State Trade Sector's Market Share Noted

BK0601141294 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 6 Jan 94

[Text] Despite difficulties and harsh competition, Hanoi's state-run trade sector took positive steps in 1993 to expand its services. As a result, it posted a turnover of more than 457 billion dong. The food catering service alone generated nearly 83 billion dong and contributed more than 10 billion dong to the state budget. The total volume of this sector's trading activities accounts for more than 50 percent of all trading activities in the market. Of this figure,

retail services account for 23 percent and wholesale services account for the remainder. This sector's corporations, enterprises, and stores have invested more than 50 billion dong to carry out capital construction projects, build mini-hotels, and modernize equipment in order to improve their performance.

Social Ills Control Committee Formed

BK0701100194 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 6 Jan 94

[Text] The prime minister issued a decision on 5 January to establish a steering committee for the prevention and control of social ills. The committee comprises the following comrades:

1. Nguyen Khanh, deputy prime minister, chairman of the committee;
2. Truong My hoa, president of the Vietnam Women Union and chairwoman of the National Commission for Women Advancement;
3. Nguyen Thi Than, chairwoman of the National Assembly's Social Issues Committee;
4. Ha Quang Du, chairman of the Vietnam Youth Commission;
5. Tran Dinh Hoan, minister of Labor, War Invalids, and Social Welfare;
6. Ho Duc Viet, first secretary of central committee of the Communist Youth Federation;
7. Nguyen Trong Nhan, Public Health minister;
8. Hoang Duc Nghi, minister chairman of the Ethnic Minorities and Mountain Region Commission;
9. Pham Tam Long, deputy minister of Interior; and
10. Tao Huu Phung, deputy minister of Finance.

The standing body of the steering committee consists of three members: Nguyen Khanh, Truong My Hoa, and Tran Dinh Hoan.

The steering committee will replace the Steering Committee for Prevention And Control of Prostitution, Narcotics, and Aids, or steering committee No. 5620, which was established by prime minister's decision No. 271/TTG issued on 5 June 1993.

The Steering Committee for Prevention and Control of Social Ills is responsible for guiding and supervising all sectors and localities in implementing the prime minister's decisions relating to the prevention and control of social ills.

Phan Van Khai Receives Japanese Diet Member

BK0701152194 Hanoi VNA in English 1442 GMT 7 Jan 94

[Text] Hanoi VNA Jan. 7—Deputy Prime Minister Phan Van Khai received in Ho Chi Minh City Mr. Koichi Kato, member of the Japanese Diet, acting chairman of the Policy Affairs Research Council of the Liberal Democratic Party (LDP), chairman of the secretariat of the Miyazawa cabinet, and acting secretary general of the LDP, who is on a visit to Vietnam.

The Japanese consul general in Ho Chi Minh City, Mr. Kubota, was present at the reception.

Speaking to the Japanese guest, Deputy Premier Phan Van Khai highly appreciated the LDP's policy towards Vietnam, saying that it opened a new period in the two countries' relations in recent years. He expressed his belief that these relations would be further developed, conforming to both sides' interests and other countries in the region.

Mr. Koichi Kato, for his part, expressed his pleasure to visit Vietnam and wished the friendship and cooperation between the two countries further consolidation and development.

Report Details Activities of American Companies

BK0701030094 Hanoi Voice of Vietnam in English 1000 GMT 6 Jan 94

[Text] By late August 1993, a total of 27 American companies have been operating in Vietnam. These companies either open their representative offices or sign contracts, memorandum of understanding, to seek business opportunities in a local market. These companies specialize in diversified activities which include consultancy, telecommunications, insurance, banking, construction, hotel industry, computer, auditing, airlines, food, soft drink, elevator, import-export, and gems.

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